

## Paying taxes with plastic is an option

by Bend\_Weekly\_News\_Sources

Official Payments Corp. kicked off its ninth consecutive year of providing federal electronic tax payment options to American taxpayers. Individuals and businesses may pay a variety of federal taxes with any American Express, Discover, MasterCard and VISA cards online at [www.officialpayments.com](http://www.officialpayments.com) or by calling 1-800-2PAY-TAX (1-800-272-9829).

The company, a subsidiary of Tier Technologies, Inc., is the only company that has provided card-based federal tax payment options for the IRS in each year since program inception in 1999. Card-based tax payments have grown through this period, reflecting the broad shift of Americans' payment preferences from traditional paper-based to electronic methods. The IRS reported that in 2006, it received approximately 2.1 million card payments, an increase of 35% from 2005.

"Official Payments has become synonymous with fast, easy and secure payment processing, resulting in consistently high user satisfaction," said Ronald L. Rossetti, Chairman and Chief Executive Officer of Tier. "In a 2006 study of Official Payments users conducted by an independent research firm, 89% of respondents reported that they were satisfied with the overall payment process, and 82% reported that they were likely to use Official Payments again to pay taxes in the future."

A satisfied Official Payments customer shared this experience, "This is the third time I have used this service. It is a tremendous convenience for several reasons. First, if I pay by credit card, I pay on time but my money is still earning bank interest until billing. Second, I get valuable points on my credit card account. Finally, I don't have to worry about postal delays. I KNOW it has been received!"

"Statistics and testimonials like these validate the constant effort we put into making Official Payments the best payment processing experience available," continued Rossetti. "This year we rolled out a redesigned website, streamlining the payment process and enhancing the customer experience. Also new in 2007, we are pleased to accept several new personal and business federal tax payments as described below. And, as always, [www.officialpayments.com](http://www.officialpayments.com) is the only federal tax card-payment website available in both English and Spanish languages."

Federal taxes payable through Official Payments Corp. include (new tax types available for card payments are identified with an asterisk):

Federal Personal Tax Payments

Form 1040 (All Form 1040 Types) Balance Due " Tax Year 2006

Form 1040ES Estimated Payment " Tax Year 2006 (Ends January 31, 2007)

Form 1040ES Estimated Payment " Tax Year 2007 (Starting March 1, 2007)

Form 4868 Automatic Extension to File " Tax Year 2006

Installment Agreement Payment Form 1040 " Tax Years 1997 through 2006

Prior Tax Year Form 1040 " Tax Years 1997 through 2005

Form 1040 Advance Payment of a Determined Deficiency (Audit Adjustment or Underreporter Notice) " Tax Years 2004 through 2006

Trust Fund Recovery Penalty " Prior Tax Periods " Tax Years 1997 through 2006 \*

Trust Fund Recovery Penalty " Installment Agreements " Tax Years 1997 through 2006 \*

Federal Business Tax Payments

Form 940 or 940-PR, Employer's Annual Federal Unemployment Tax Return (FUTA) " Balance Due " Tax Year 2006

Form 940 or 940-PR, Employer's Annual Federal Unemployment Tax Return (FUTA) " Prior Tax Years " Tax Years 1997 through 2005 \*

Form 940 or 940-PR, Employer's Annual Federal Unemployment Tax Return (FUTA) " Installment Agreements " Tax Years 1997 through 2006 \*

Form 941, 941-PR or 941-SS, Employerâ€™s Quarterly Federal Tax Return â€™ Balance Due â€™ Tax Years 2006 and 2007

Form 941, 941-PR or 941-SS, Employerâ€™s Quarterly Federal Tax Return â€™ Prior Tax Quarters â€™ Tax Years 1997 through 2006 \*

Form 941, 941-PR or 941-SS, Employerâ€™s Quarterly Federal Tax Return â€™ Installment Agreements â€™ Tax Years 1997 through 2006 \*

Form 944, 944-PR or 944-SS, Employerâ€™s Annual Federal Tax Return â€™ Balance Due â€™ Tax Year 2006 \*

NOTE: Federal tax deposit payments cannot be paid through this service.

#### State Payment Options

Taxpayers can also use Official Paymentsâ€™ electronic payment options in 26 states and the District of Columbia for payment of state and District taxes. For a complete list of payment types available by state, visit [www.officialpayments.com](http://www.officialpayments.com).

Official Payments charges taxpayers a convenience fee for the service. Taxpayers using credit or debit cards with bonus rewards programs may, depending on their card's program, earn reward points, airline frequent flyer miles or cash back for paying their taxes and fees. Rewards programs vary depending on credit card companiesâ€™ rules. Taxpayers are advised to check with their card issuer for details. The IRS has determined that the convenience fee paid or incurred by a business making a tax payment with a credit card can be deducted as a business expense.