

Mandatory Use of Electronic Deposit System for Certain Taxes

The Internal Revenue Service has recently issued proposed regulations that will require taxpayers to deposit all depository taxes such as employment taxes, excise taxes and corporate income taxes electronically using the Electronic Federal Tax Payment System (EFTPS) beginning *January 1, 2011*.

Under these proposed regulations which are expected to be finalized by December 31, 2010, Forms 8109 and 8109-B, Federal Tax Deposit Coupon, cannot be used after December 31, 2010.

The Electronic Federal Tax Payment System is a tax payment system provided free by the U.S. Department of the Treasury. It allows taxpayers to make federal tax payments via the internet or phone at any time. Enrollment can be done through the internet via EFTPS.com or by calling 1-800-555-4477 to request an enrollment form from customer service.

If you have any questions or for further assistance, contact Maria Solis, CPA, Partner, at 312-384-4282 or msolis@legacypas.com.