STEVENS GROUP
CPAs & WEALTH COACHES

EXTENSION ESTIMATE PROCESS & 1ST QUARTER ESTIMATED TAX PAYMENT

If you are receiving this letter, then your return is being extended for the current tax year due to time constraints at the filing deadline. We have reviewed the information you have submitted and calculated your current year tax based on the information we have.

EXTENSION PAYMENT AND 1ST QUARTER ESTIMATED TAX PAYMENT:

The current year's extension payment and the 1st quarter estimate for next year are both due on the same day. At Stevens Group, if your tax return is being extended and you make estimated tax payments, we consolidate both of these payments into one extension payment (unless otherwise advised). Based on our calculations, we expect this to generate an overpayment on your current year's tax return which we apply to next year's tax, essentially making the 1st quarter payment through the current year's tax return.

We use this method to maintain maximum flexibility. If your tax situation or your life circumstances change in some way, by having the 1st quarter estimated tax payment included with the return we have the flexibility to request a refund if it is more beneficial.

WHEN MAKING YOUR EXTENSION PAYMENT, YOU SHOULD MAKE ONE PAYMENT ONLINE FOR THE CURRENT YEAR OR SEND ONE CHECK AND INDICATE IT IS ALL FOR THE CURRENT YEAR IN THE MEMO LINE. Do not make two separate tax payments and do not indicate separate years for the 1st quarter estimated tax payment on a check.

CURRENT YEAR TAX: If you are making a payment in April of 2025, for 2024 taxes, the tax year to indicate is 2024, that is the current year (2024) taxes you are working on (during 2025).

****WE WILL NO LONGER MAIL CLIENT CHECKS****

SEE NEXT PAGES FOR PAYMENT METHOD OPTIONS AND INSTRUCTIONS FOR EACH METHOD

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PAYMENT METHODS

NOTE: Paying online is no different than paying by physical check. The IRS does ACH transfers either way and has your bank account information either way. Paying online has the added benefits of receiving immediate confirmation of payment and the ability to schedule payments for specific dates in the future.

There are two online payment methods that the IRS allows a client to make.

PAY TAXES ONLINE THROUGH YOUR IRS.GOV ACCOUNT: (Recommended payment method)

Setting up an IRS account (generally takes 10 minutes or less). If an account is set up under this method, you can easily see your tax liability history and tax payment history anytime by logging in, among other tax information.

PAY TAXES ONLINE THROUGH THE IRS'S DIRECT PAY: (For individuals without an IRS.gov account)

A one-time payment option is available, but we recommend setting up an **id.me** account and not using the one-time payment option. You must keep your confirmation and payment details if an account is not set up.

If you pay your tax online, please send us a copy of the payment confirmation page so we have an accurate record of your payments.

MAIL A PHYSICAL CHECK: Estimated tax payments should be sent by certified mail to the IRS using an extension voucher. Your SSN and the tax year should be included in the memo line of the check. Please let us know if you need a copy of your extension tax voucher and we will email you a copy once it is prepared, likely within 5 days of April 15, and/or at the last minute.

We highly recommend you set up a personal **id.me** account for making payments moving forward.

If you pay your tax online, please send us a copy of the payment confirmation page so we have an accurate record of your payments.

PLEASE SEE INSTRUCTIONS ON THE NEXT PAGE FOR THE **ID.ME** SET UP AND THE DIRECT PAY SETUP.

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SETUP YOUR ID.ME ACCOUNT

Setting up an IRS account (generally takes 10 minutes or less). Go to *IRS.gov* and follow the prompts to "sign into your account" (You will be able to set up a new account following this path). The website will redirect you to **ID.me** to set up an account. If an account is set up under this method, you can also easily see your tax liability history and tax payment history anytime by logging in.

1. Go to IRS.gov and click on "Sign in to your account".
2. In the next webpage, click on "Sign in to online account" under Individual.
3. Click on Create a new account.
4. Enter your email address and a password and click on "Create Account".
5. Accept terms and conditions.
6. An email will be sent to your email address to confirm your account. Log into your email account and click on Confirm Email.
7. Set up multi-factor authentication (MFA) using one of the methods available in the list.
    - Follow the prompts to set up MFA. You can choose to receive a passcode via text message, phone call, or use an authentication app.
8. Verify your identity:
    - After setting up MFA, follow the prompts to verify your identity. This may involve answering questions about your credit history or uploading a photo of your government ID.
    - You will need to enter a mobile phone number. A text message will be sent to your mobile device. Follow the prompt to take photos of your government ID.
9. After you verify your identity, you will be able to access your IRS.gov account.
    - Through your IRS.gov account, you can make estimated tax payments, extension payments, and view the history of all payments made within the last 5 years.

MAKING EXTENSION PAYMENT USING ID.ME

1. Go to IRS.gov and click on "Sign in to your account".
2. In the next webpage, click on "Sign in to online account" under Individual.
3. Click "sign in with id.me" (after you have an account set up).
4. Click "make Payment".
5. Select payment type: Extension.
6. Enter payment amount, and payment date.
7. Click next and complete the process.

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HOW TO PAY YOUR TAXES USING IRS' PAY DIRECT

If you are unable to set up your IRS.gov account, you can use the IRS' Pay Direct system to make your tax payment online. Below are step-by-step instructions on how to use Direct Pay to securely pay your Estimated Tax payment, Individual Extension payment, or your tax return balance due payment.

1. Visit https://irs.gov/payments/direct-pay.

2. Click on the "Pay individual tax" link.

3. Click on the "Pay personal taxes" link.

4. In the Tax Information page, follow the steps below:

    a. Click on the drop-down menu to select your Reason for Payment and select the following options:
    b. Select "Estimated Tax" if you are paying quarterly taxes.
    c. Select "Extension" if you are paying the extension tax (a/k/a Catchup Payment).
    d. Select "Balance Due" if you are paying the remaining tax that is due on your completed tax return.
    e. Click on the drop-down to select what to Apply Payment To and select: "1040ES (for 1040 and 1040A)" or "Income Tax – Form 1040".
    f. Click on the drop-down menu for the Tax Period for Payment and select the year to apply the Tax Payment.
    g. Click Continue.

5. In the Verify Identity page, use your previously filed tax return and enter the taxpayer's information exactly how it is shown on the tax return. After you enter the information on the tax return, click Continue.

6. In the Your Payment Information page, enter your bank account information.

7. Once your payment has been processed, please send our office a copy of the payment confirmation screen so we have a record of the payment.

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