

5/25/99

IR-1999-49

## **IRS ACTS TO CORRECT CREDIT CARD PAYMENT ERRORS**

WASHINGTON B The Internal Revenue Service has recently learned that US Audiotex, a company that processes credit card payments for federal taxes, mistakenly coded some payments as estimated taxes for 1999, rather than as payments for 1998. Some taxpayers contacted the IRS after receiving bills for the 1998 taxes they had already charged.

US Audiotex properly coded the 31,000 charge card payments made prior to April 15. The error occurred on the 13,700 charge card payments made on April 15 by calling 1-888-2-PAY-TAX.

"We apologize to these taxpayers for any inconvenience and pledge that we will take the necessary steps to correct their accounts as quickly as we can," said Internal Revenue Commissioner Charles O. Rossotti. AWe want to reassure taxpayers that we will abate any penalties associated with this processing error.@

The affected taxpayers will not need to take any action. The IRS is getting all the information needed to correct the matter from the card processor and the company itself will call the affected taxpayers to inform them of the problem and the corrective actions.

Taxpayers who receive a balance due notice for a credit card payment they made by phone and who wish to verify that the company forwarded their payment to the IRS may call US Audiotex at 1-800-487-4567.

"We have been very pleased with the public's overall response to our credit card test and hope that our actions in correcting this error will override any concerns,@ Rossotti said. AThe electronic records used in the credit card process will certainly speed our resolution of the matter."

X X X