

## **SAMPLE PAYMENT PLAN AGREEMENT**

DATE

TAPAYER

NAME

ADDRESS

Chandler, AZ 85000

Re: Payment Plan Agreement  
License No.: 999999

This letter confirms the City of Chandler's agreement with the above noted taxpayer, in which they acknowledge their indebtedness to the City as specified below and promise to pay the amount due in monthly installments as follows:

Payment Period: \_\_\_\_/\_\_\_\_/\_\_\_\_ through \_\_\_\_/\_\_\_\_/\_\_\_\_

Total Amount Due: \$\_\_\_\_\_. (includes penalties)

Payment Schedule: \_\_\_\_\_ ( ) equal monthly installments of  
\$1\_\_\_\_\_ with the first payment due  
\_\_\_\_/\_\_\_\_/\_\_\_\_, plus one (1) final payment of  
*approximately* \$\_\_\_\_\_ due \_\_\_\_/\_\_\_\_?\_\_\_\_\_.

The payment plan is contingent upon receipt of the ***signed payment plan agreement*** and a good faith payment of \$\_\_\_\_\_.00 due by \_\_\_\_\_, 20\_\_\_\_. This payment will be applied to the total amount due listed above. Furthermore, in accordance with Chandler Tax Code Section 62-590, Civil Actions, a tax lien may be filed against any and all real and personal property owned by the taxpayer in order to satisfy all amounts due.

Interest will continue to accrue on the outstanding tax balance. An estimated payment schedule has been included for reference. Payments are applied toward the penalty first, interest second, and then the tax balance. Be advised that penalties may be abated, but such consideration cannot be taken until the completion of the payment plan agreement. Failure to comply with any portion of this agreement may disallow any previously agreed upon penalty abatement.

The final payment cannot be calculated exactly at this time, as the interest rate will vary over the course of the plan. Please contact us during the last month of the plan for the exact payoff amount. Due to this uncertainty, the final payment is not due until the last business day of the month.

All other payments are due on the twentieth (20th) day of each month. Payments shall be deemed delinquent if not received in our office before the close of business on the last business day of each month.

If any scheduled payment related to this agreement or any regularly required tax return related to the taxpayer's ongoing business is deemed delinquent during the term of this agreement, the agreement shall be considered to be in default, and the entire amount of tax, penalty, and interest owed shall be due and payable immediately.

Please use the enclosed envelope to return the original of this agreement by \_\_\_\_\_  
**20\_\_**, executed with an original signature of an owner, officer, partner, managing member, or any other individual authorized by the taxpayer through a power of attorney to act on their behalf. If the signer is acting under a power of attorney, please attach a copy of the power of attorney to this agreement.

\_\_\_\_\_  
Tax Audit Supervisor  
Tax Audit Section

\_\_\_\_\_  
Date

\_\_\_\_\_  
Taxpayer (Authorized Signature)

\_\_\_\_\_  
Date