

# How Any Business Owner Can Reduce The Likelihood of a Tax

## Penalty by 31 Times

By Wayne M. Davies

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<http://www.YouSaveOnTaxes.com/toolkit.html>

Have you heard the latest version of the age-old story:  
"The Tale of Two Small Business Owners."

Here it is:

Small Biz Owner #1 is 31 times less likely to be penalized  
by the IRS than Small Biz Owner #2.

Hmmm. What gives? What is the difference between these two  
chaps?

It's simple, really.

Small Biz Owner 1 makes his federal tax payments  
electronically, using the government's Electronic Federal  
Tax Payment System (aka EFTPS).

Small Biz Owner 2 makes his federal tax payments manually,  
using good old paper 'n ink to write the check.

Not only that, but for his monthly payroll tax payments,  
Small Biz Owner 2 has to fill out the little coupon that  
comes in that little yellow coupon book (known as Form  
8109), write out the check, and then take the time to visit  
his local bank and make the payment in person.

Because Small Biz Owner 2 is stuck in the rut of the  
manual check payment routine, he is 31 times more likely  
to get hit with a late-payment penalty.

And these late payment penalties are pretty steep:

1 to 5 days late = 2% penalty  
6 to 15 days late = 5% penalty  
16 or more days late = 10% penalty

. . .plus interest.

It makes sense, doesn't it? If a task takes less time and energy to complete, you are more likely to do it on time.

And using EFTPS definitely is easier and faster than writing out a check and taking it to the bank.

You simply sit down and make a 5-minute phone call, or visit the IRS website and input a few numbers.

No fuss, no muss. And you can do it 24 hours a day, 365 days a year.

I know, I know. Change is painful. You like your routine.

My 3 children like to tell me how "old-fashioned" I am -- because of the clothes I wear or the music I listen to.

I hear it all the time:  
"You're so '20th century', Dad."

Well, I'm hear to tell you . . . making your tax payments with a manual check is soooo "20th century", man.

Get with the times and start using EFTPS.

Not only is it "hip, man" -- but it can also help you avoid a hefty late payment penalty.

One of my clients with a staff of 4 employees recently forgot to make one of his monthly federal payroll tax payments. During my quarterly review of his books, I informed him of the missing payment.

On a tax liability of just \$2,000, he was now faced with a \$200 penalty. Ouch!

Ready to join the 21st Century, and avoid the pain of an unnecessary tax penalty?

Sign up for EFTPS by visiting:  
<http://www.eftps.gov> or call (800) 555-4477.

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