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S. Harris Financial Group

INNOVATIVE STRATEGIES + PERSONAL FOCUS

Timely Topic
- September 16th, 2025 -

IRS Payment Method Change

We hope this message finds you well. We are reaching out to inform you of an important change that will affect how you make and receive federal tax payments **starting September 30, 2025**.

What's Changing?

Effective **September 30, 2025**, the IRS will require all federal tax payments and refunds to be processed electronically. The third quarter 2025 estimated tax payment (due September 15, 2025) will be the **last quarterly payment** that can be made by paper check. All subsequent payments (including any final payments due with your 2024 tax return) must be electronic. This means:

- **No more paper checks** will be accepted for tax payments (including estimated taxes, extension payments, and final balances due).
- **No more paper refund checks** will be issued by the IRS
- All transactions must be conducted through electronic methods

Your Electronic Payment Options

There are several options for making electronic payments to the IRS – here is a summary of things to consider:

1. **Electronic Federal Tax Payment System (EFTPS)** – Best for Trusts, Estates, Businesses, and Individuals who want full control over payment scheduling.

How to enroll: www.eftps.gov

Pros:

- Available to anyone using a Social Security Number (SSN) or Employer ID Number (EIN)
- Supports all payment types, including estimated taxes
- Schedule payments up to 365 days in advance
- Tracks payment history and allows cancellations

Cons:

- Requires enrollment and a PIN sent by mail (takes 5–7 days), so we strongly recommend you enroll immediately
- Interface is outdated
- Only supports payments from a bank account (no credit/debit cards)
- Payments must be initiated by 7 P.M. CST the business day before the payment is due

2. **IRS Direct Pay** – Best for Individuals and certain business taxes - paying directly from their bank account (via SSN or EIN)

How to use: www.IRS.gov/directpay

Pros:

- No account or login required
- Same-day payments from a checking or savings account

Cons:

- Limited availability for businesses
- Identity must be verified each time
- No ability to save info or schedule payments



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- Must save confirmation number at time of payment
- No estimated tax payment support for businesses
- No support for estates and trusts

3. **IRS Online Account** – Best for individuals and business entities (Sole proprietors, partnerships, S Corps, C Corps)

How to create an account: www.IRS.gov/account

Pros:

- View balances, notices, and transcripts
- Make payments directly through the portal
- Manage payment plans and authorizations
- Schedule estimated tax payments
- Business users can authorize others to access the account

Cons:

- Not available for trusts and estates
- Requires creating an ID.me account and verifying identity
- Feature availability varies by entity type

Summary:

- Trusts and Estates must use EFTPS
- Individuals can use EFTPS, Direct Pay, or IRS Online Account
- Businesses can use EFTPS, IRS Online Account, or Direct Pay (where applicable)

Immediate Actions Needed (Complete by October 1, 2025):

- **Review Your Current Payment Methods:** Identify any taxes you currently pay by check
- **Set Up Electronic Payment Options:** Establish accounts before you need them
- **For Trusts/Estates:** If we have assisted you with your IRS payments in the past, we will be reaching out to you to establish a new account specifically for making these payments

Questions or Concerns?

This is a significant change that affects many taxpayers, and we understand you may have questions. We recommend you reach out to your CPA or give us a call if you would like to discuss it further. Thank you for your continued trust in our services. We look forward to helping you navigate this important change.