

IRS No Longer Processing Paper Checks After September 30, 2025

Effective September 30, 2025, the U.S. Treasury will cease issuing paper checks for all federal disbursements—including IRS tax refunds, Social Security payments, and IRS income tax payments. There are very few exceptions.

Practical Implications:

- After September 30, 2025, taxpayers expecting a refund will be required to receive the funds via direct deposit, prepaid cards, or digital wallets.
- Payments to the IRS must be made electronically.
- Taxpayers who cannot receive direct deposit (e.g., those without a U.S. bank account) may need to seek an exception or use third-party settlement services, which can create additional administrative burdens and costs.

What IRS payment options are available after September 30, 2025?

- **Direct Debit via Electronic Funds Withdrawal (EFW) when you e-File your tax return:** You can schedule balance due payments and quarterly estimates when you file your income tax returns by supplying your bank information on your tax return and authorizing payments when you e-File. There is no fee for this option.
- **Set up an individual or business online account with the IRS:** With this account, you can access tax records, view payment history, create payment plans, and set up banking information for electronically receiving refunds or making payments.
- **IRS Direct Pay:** Pay taxes from your bank account directly to the IRS. Free and secure, no sign-in is required, and you can cancel within 2 days of the scheduled payment. You will need prior-year tax return information available before using it.
 - Go to www.irs.gov/payments/direct-pay-with-bank-account.
- **Electronic Federal Tax Payment System (EFTPS):** This free online or phone service is best for businesses and individuals making regular or large payments. To set up an Electronic Federal Tax Payment System (EFTPS) account with the IRS, you must enroll online at the official EFTPS website - www.eftps.gov/eftps/. The process involves providing your identifying and bank information and waiting to receive your Personal Identification Number (PIN) in the mail. For website users, multi-factor authentication (MFA) is required with either [Login.gov](https://login.gov) or [ID.me](https://id.me)
- **Debit/Credit Card or Digital Wallet:** Payments can be made online, by phone, or through the IRS2Go mobile app via IRS-approved third-party processors. Fees will apply.

- **Cash:** You can pay in cash at certain retail partners, but you must register online first, and there are daily limits. This method uses a service called PayNearMe. There is a daily payment limit of \$1,000, and a fee applies.
- **Wire Transfer:** If you do not have a U.S. bank account, you may be able to pay by same-day wire transfer through the Federal Tax Collection Service (FTCS), but your financial institution may charge a fee and may have earlier cutoff times.

What are the first steps I should take?

1. You will need to set up an IRS-approved electronic method for depositing any refunds due to you and any payments you need to make to the IRS for taxes.
2. You should consider setting up an online account with the IRS for your individual or business account. Not only can you make payments, but you can also view payment history, check your current balance, and create a payment plan for the amount you owe or expect to owe. You will be asked to set up an ID.me account during the registration process.
3. An ID.me account is a digital identity wallet that allows you to securely prove your identity and group affiliation online without needing to create a new login for every website. Benefits of an ID.me account include secure access, streamlined logins, and access to government services. You must be at least 18 years of age, have a valid Social Security Number or Individual Taxpayer Identification Number, and a current, government-issued photo ID.

Setting Up an Online Account with the IRS

- 1) Go to <https://www.irs.gov/payments/online-account-for-individuals>.
- 2) Begin registration and set up an ID.me account.
- 3) Once your identity is verified, you will be redirected back to the IRS portal, where your verified identity is linked to your IRS account
- 4) To finish setting up, you will need:
 - a. a copy of the last tax return you filed to verify information such as adjusted gross income, filing status, and your mailing address.
 - b. Your bank account and routing numbers.

Setting Up an ID.me Account with the IRS

To set up, you go online and verify your identity through a process that involves submitting documents and taking a selfie. Once the account is established, it can be used to verify and seamlessly sign into many different government agencies.

- 1) **Create your account:** You start by creating your ID.me login and securely protecting it. To set up an ID.me account for access to IRS online services, you must complete a secure identity verification process. Go to <https://api.id.me/en/registration/new>.
- 2) **You will need:**
 - a. A valid email address
 - b. Cell or telephone available
 - c. Government-issued photo ID
 - d. Computer or smartphone with a camera for uploading images and taking a video selfie
 - e. A video selfie or opt for a video call with a live ID.me agent
- 3) **Verify your identity:** You then verify your identity by uploading documents like a driver's license or passport and taking a video selfie.
- 4) **Gain access:** With your identity verified, your ID.me account acts as a digital credential to securely sign in to all participating websites.

Please don't hesitate to contact us here at Kram, McCarthy, Ayers & Frost, LLC, if we can be of assistance.