

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

[TD 10060]

RIN 1545-BP66

Regulations Regarding Payment of Tax by Commercially Acceptable Means

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final rule.

SUMMARY: This document contains final regulations regarding the payment of tax by commercially acceptable means. The final regulations reflect changes to the law made by the Taxpayer First Act that would allow the IRS to directly accept payments of tax by credit or debit card, without having to connect taxpayers to third-party payment processors. These final regulations remove restrictions on the payment of any fee by the IRS under any contracts related to payment of taxes by credit, debit, or charge card, and on the IRS imposing any fee or charge on persons paying taxes by credit or debit card.

DATES:

Effective date: These final regulations are effective on October 19, 2026.

Applicability date: For date of applicability, see § 301.6311–(g).

FOR FURTHER INFORMATION CONTACT:

Crystal Jackson-Kaloz of the Office of the Associate Chief Counsel (Procedure and Administration), (202) 317–5191 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Authority

This document contains amendments to the Procedure and Administration Regulations (26 CFR part 301) issued by the Secretary of the Treasury or the Secretary's delegate (Secretary) under the authority granted by sections 6311 and 7805(a) of the Internal Revenue Code (Code) regarding the payment of internal revenue taxes by commercially acceptable means.

Section 6311(a) provides an express delegation of authority to the Secretary, stating that the Secretary may receive payment of internal revenue taxes by any commercially accepted means under conditions provided by regulations prescribed by the Secretary. Section 6311(d)(1)(A) directs the Secretary to prescribe regulations as the Secretary deems necessary to receive payment by commercially acceptable means, including regulations that specify which methods of payment by

commercially acceptable means will be accepted.

Section 7805(a) authorizes the Secretary to “prescribe all needful rules and regulations for the enforcement of [the Code], including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue.”

Background and Explanation of Provisions

This document contains final regulations under section 6311. These final regulations amend provisions of § 301.6311–2 of the existing regulations (existing § 301.6311–2) to implement the changes made to section 6311 by section 2303 of the Taxpayer First Act (TFA), Public Law 116–25, 133 Stat. 981, 1013 (July 1, 2019).

Section 6311(a) provides that it is lawful for the Secretary to receive payment for internal revenue taxes by any commercially acceptable means that the Secretary deems appropriate to the extent and under the conditions provided in regulations prescribed by the Secretary. Existing § 301.6311–2, which was adopted by the publication of TD 8969 in the **Federal Register** (66 FR 64740) on December 14, 2001, authorizes payment of internal revenue taxes by credit or debit card so long as such payments are made in the manner and in accordance with the forms, instructions, and procedures prescribed by the Commissioner of Internal Revenue (Commissioner).

Prior to passage of the TFA, section 6311(d)(2) authorized the Secretary to enter into contracts to obtain services related to receiving payment of taxes by credit card or debit card, or charge card, but prohibited the Secretary from paying any fee or other consideration under any such contract. Existing § 301.6311–2(f) implements this provision. Existing § 301.6311–2(e) prohibits the IRS from imposing any fee or charge on persons making payment of taxes by credit card or debit card.

Section 2303 of the TFA amended section 6311(d)(2) by adding a discretionary exception whereby the Secretary is no longer prohibited from paying a fee under a contract related to receiving payment of taxes by credit or debit card to the extent that the Secretary ensures that any such fee is fully recouped from the persons paying taxes by credit or debit card pursuant to such contract. This provision enables the IRS to receive benefits similar to other entities that accept credit or debit cards, including guaranteed receipt of funds and reduction of paper check processing costs. This provision also enables taxpayers to make a payment

more easily by credit or debit card directly to the IRS, such as over the telephone, without having to separately wait for the IRS to connect them to third-party processors. *See* H. Rept. 116–39(I), 116th Cong., 1st Sess. at 90 (2019).¹

On July 02, 2024, the Treasury Department and the IRS published in the **Federal Register** (89 FR 54746) a notice of proposed rulemaking (REG–120137–19) proposing amendments to § 301.6311–2 (proposed regulations). In response to proposed amendments to the regulations, the Treasury Department and the IRS received eight comments. The comments are available at <https://www.regulations.gov>. A public hearing was requested; however, because no one requested to speak at the public hearing, the hearing was cancelled. After careful consideration of the comments, the Treasury Department and the IRS adopt the text of the proposed regulations with no change.

Summary of Comments

Most comments were supportive of the proposed amendments to the regulations. Commenters generally noted that the ability of taxpayers to pay taxes by credit or debit card directly to the IRS would simplify the payment process, reduce the costs to taxpayers, and would encourage more taxpayers to timely pay their taxes.

One comment neither supported nor opposed the proposed amendments but requested that the IRS implement a better fee reimbursement model to improve the costs to taxpayers who pay taxes using credit or debit cards regardless of whether the proposed amendments are adopted. The concerns identified in the comment are outside the scope of these regulations, which do not actually implement any particular payment process or contract. Accordingly, a change to the proposed regulatory text is not necessary and the final regulations do not adopt this comment.

¹ In 2019, different versions of the TFA were introduced in the House and Senate and both bills contained provisions to amend section 6311 of the Code. H. Rept. 1957 was introduced in the House on March 28, 2019, and passed the House on April 9, 2019, but did not pass the Senate. Section 2303 of H. Rept. 1957 contained proposed statutory language amending section 6311(d) that was identical to the statutory language that was enacted a short time later on July 1, 2019, in section 2303 of H. Rept. 3151. Due to the procedural way in which H. Rept. 3151 became a vehicle for enacting the TFA, there are no separate House, Senate, or Conference Reports regarding H. Rept. 3151, which became the TFA, Public Law 116–25. Therefore, it is appropriate for the Treasury Department and the IRS to look to the House Ways and Means Committee Report for H. Rept. 1957, the immediate predecessor to H. Rept. 3151, to understand the intended scope of section 2303 of the TFA.

Another comment expressed the view that simpler language could be used in the proposed regulations and that certain terms may be ambiguous or have multiple interpretations. The Treasury Department and the IRS considered these recommendations but determined that the language used in the proposed regulations, which these final regulations adopt, is drafted in a straightforward way that is consistent with the statutory text, and that no further changes are necessary.

Another comment expressed support for the proposed regulations with the caveat that no fee should be associated with using a credit or debit card. The final regulations, consistent with the proposed regulations and the requirements of section 2303 of the TFA, will provide the Secretary with the discretion to pay a fee under a contract relating to receiving payment of taxes by credit or debit card to the extent the Secretary ensures that any such fee is fully recouped from the persons paying taxes by credit or debit card pursuant to such contract.

Another comment argued that the IRS must undertake a cost-comparison under Office of Management and Budget (OMB) Circular A–76 (Circular) “in keeping with the philosophy of” the Federal Activities Inventory Reform Act of 1998 (FAIR Act), codified at 31 U.S.C. 501, which identifies activities that are commercial in nature. The comment stated that the proposed regulations “would potentially unwind the longstanding policy of the Federal Government to contract with the private sector to provide purely commercial services such as card payment processing.” Because neither section 6311 nor these regulations change the IRS’s obligations under the Circular, and to the extent that IRS activities regarding collection of taxes by credit and debit card are subject to the requirements of the Circular and related laws, those activities will continue to be reviewed, and all applicable requirements will be met upon implementation of the final rule. Accordingly, the Treasury Department and the IRS have determined that the requested cost comparison is beyond the scope of these regulations.

Finally, the Treasury Department and the IRS received one submitted comment that did not address the proposed regulations.

Special Analyses

I. Regulatory Planning and Review

These regulations are not subject to review under section 6(b) of Executive Order 12866 pursuant to the

Memorandum of Agreement (July 4, 2025) between the Treasury Department and the OMB regarding review of tax regulations. Therefore, a regulatory impact assessment is not required.

II. Regulatory Flexibility Act

It is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities pursuant to the Regulatory Flexibility Act (5 U.S.C. chapter 6). This certification is based on the fact that the regulation would apply only to the IRS’s ability to (1) pay a fee under a contract related to receiving payment of taxes by credit or debit card, and (2) recoup processing fees from the person paying taxes by credit or debit card. Under existing regulations, the IRS may not do either of those things. These final regulations would also implement a requirement under the TFA that the IRS must seek to minimize any fee the IRS is required to pay under such a contract. Because persons choosing to pay tax by credit or debit card are ordinarily required to pay processing fees to a third-party processor, the final regulations would not have a significant economic impact on such persons.

III. Unfunded Mandates Reform Act

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or Tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. This rule does not include any Federal mandate that may result in expenditures by State, local, or Tribal governments, or by the private sector in excess of that threshold.

IV. Executive Order 13132: Federalism

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. These regulations do not have federalism implications and do not impose substantial direct compliance costs on State and local governments or preempt State law within the meaning of the Executive order.

V. Small Business Administration

Pursuant to section 7805(f) of the Code, the notice of proposed rulemaking preceding this regulation was submitted to the Chief Counsel for the Office of Advocacy of the Small Business Administration for comment on its impact on small business, and no comments were received.

VI. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C. 804(2).

Drafting Information

The principal author of these regulations is Crystal Jackson-Kaloz of the Office of the Associate Chief Counsel (Procedure and Administration). However, other personnel from the Treasury Department and the IRS participated in their development.

List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, the Treasury Department and IRS amend 26 CFR part 301 as follows:

PART 301—PROCEDURE AND ADMINISTRATION

■ **Paragraph 1.** The authority citation for part 301 is amended to read, in part, as follows:

Authority: 26 U.S.C. 7805.

* * * * *

Section 301.6311–2 is also issued under 26 U.S.C. 6311.

■ **Par. 2.** Section 301.6311–2 is amended by:

- 1. Revising paragraph (d)(1).
- 2. Removing paragraph (e).
- 3. Redesignating paragraphs (f) through (h) as paragraphs (e) through (g).
- 4. Revising newly redesignated paragraph (e).
- 5. In newly redesignated paragraph (f), removing the language “Internal Revenue Service” and adding the language “IRS” in its place.
- 6. Revising newly redesignated paragraph (g).

The revisions read as follows:

§ 301.6311–2 Payment by credit card and debit card.

* * * * *

(d) *Resolution of errors relating to the credit card or debit card account*—(1) *In general.* Payments of taxes by credit card or debit card, and payments of reimbursement fees referred to in paragraph (e)(2) of this section, are subject to the applicable error resolution procedures of section 161 of the Truth in Lending Act (15 U.S.C. 1666), section 908 of the Electronic Fund Transfer Act (15 U.S.C. 1693f), or any similar provisions of State or local law, for the purpose of resolving errors relating to the credit card or debit card account, but not for the purpose of resolving any errors, disputes or adjustments relating to the underlying tax liability.

* * * * *

(e) *Authority to enter into contracts*—(1) *In general.* The Commissioner may enter into contracts related to receiving payments of tax by credit card or debit card if such contracts are cost beneficial to the government. The determination of whether the contract is cost beneficial will be based on an analysis appropriate for the contract at issue and at a level of detail appropriate to the size of the government's investment or interest.

(2) *Contracts under which fees are prohibited.* The Commissioner may enter into contracts that provide that the Internal Revenue Service (IRS) will not pay a fee, charge, or other monetary consideration under such contracts related to payments of tax by credit card or debit card. For payments of tax under such contracts, this section does not prohibit the imposition of fees or charges by issuers of credit cards or debit cards or by any other financial institutions or persons participating in the credit card or debit card transaction. The IRS may not receive any part of any such fees that may be charged.

(3) *Contracts under which fees are permitted and must be recouped.* The Commissioner may enter into contracts that provide that the IRS will pay a fee, charge, or other monetary consideration under such contracts related to payments of tax by credit card or debit card. If the IRS pays a fee under such contracts, it must recoup the full amount paid under such contracts as a reimbursement fee from the persons paying tax by credit card or debit card. The reimbursement fees will be limited to the amount of the fees that IRS pays under any such contract and will be paid at the time of, and in addition to, the tax payment. The reimbursement fee is not a tax imposed by the Code, and no portion of the reimbursement fee is eligible for refund or credit under section 6402 of the Code. The error resolution procedures described in paragraph (d)(1) of this section will

apply to any errors concerning the reimbursement fee. In negotiating contracts under this paragraph (e)(3), the Commissioner will seek to minimize the amount of the fees paid.

* * * * *

(g) *Applicability date.* The rules of this section apply to payments of taxes and reimbursement fees made on or after October 19, 2026.

Frank J. Bisignano,
Chief Executive Officer.

Approved: September 10, 2026

Kevin M. Salinger,
Acting Assistant Secretary of the Treasury
(Tax Policy).

[FR Doc. 2026–21267 Filed 10–16–26; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

30 CFR Part 560

[Docket ID: BOEM–2026–0727]

RIN 1010–AE39

Outer Continental Shelf Oil and Gas Leasing; Corrections

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Correcting amendments.

SUMMARY: The Department of the Interior (DOI), acting through the Bureau of Ocean Energy Management (BOEM), is correcting citations in 30 CFR part 560. DOI issued two rules in 2008 and 2016 where some of the finalized amendments were never incorporated into the CFR. This document corrects 30 CFR part 560 to reflect the finalized amendments.

DATES: Effective on October 19, 2026.

FOR FURTHER INFORMATION CONTACT: Karen Thundiyil, Office Director, Office of Regulatory Affairs, BOEM, 1849 C Street NW, Washington, DC 20240, at email address Regulatory.Affairs@boem.gov or at telephone number (202) 742–0970.

SUPPLEMENTARY INFORMATION:

I. Background

On October 7, 2008, the Minerals Management Service (MMS), BOEM's predecessor agency, issued *Royalty Relief for Deepwater Outer Continental Shelf Oil and Gas Leases—Conforming Regulations to Court Decision* final rule (73 FR 58467), which, among other things, eliminated specific part 260 sections. The final rule removed sections 260.117 and 260.114(c), (d),

and (e) from the CFR. However, later amendments to part 260 did not reflect the eliminated sections. Cross-references to eliminated sections 260.117 and 260.114(d) in part 260 remained.

On October 18, 2011, DOI published the *Reorganization of Title 30: Bureaus of Safety and Environmental Enforcement and Ocean Energy Management* final rule (76 FR 64432), which recodified 30 CFR part 260 regulations into the new 30 CFR chapter V, part 560. During this recodification, the invalid references to eliminated part 260 sections were carried forward into part 560.

On March 30, 2016, BOEM published the *Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf* final rule (81 FR 18112). In the final rule, BOEM redesignated several sections in subparts A and B of part 560 and revised their titles to align with the numbering structure used throughout the regulation. However, BOEM did not include complete instructions to update references to reflect the redesignation. As a result, any references to the former section numbers that were not removed are invalid.

This document corrects invalid references in part 560.

II. Summary of Corrections

A. Sections 560.203(a) and (e)

Sections 560.203(a) and (e) currently cite section 560.110. In the *Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf* final rule (81 FR 18112), BOEM redesignated section 560.110 as section 560.202. This document replaces the incorrect citation with the correct reference to section 560.202.

B. Section 560.210

The introductory paragraph of section 560.210 currently references section 560.113 and sections 560.113 through 560.117.

The final rule *Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf* (81 FR 18112) redesignated sections 560.113 through 560.116 as sections 560.211 through 560.214. This document corrects the references.

In *Royalty Relief for Deepwater Outer Continental Shelf Oil and Gas Leases—Conforming Regulations to Court Decision* (73 FR 58467), MMS removed section 260.117 from the CFR. However, later amendments to part 260 did not reflect that deletion.

Reorganization of Title 30: Bureaus of Safety and Environmental Enforcement and Ocean Energy Management (76 FR 64432) recodified part 260 regulations