

EXECUTIVE ORDER 14247: WHAT YOU NEED TO KNOW ABOUT MANDATORY ELECTRONIC IRS PAYMENTS



Note: This article was originally published on August 20, 2025, and updated on September 29, 2025, to reflect new guidance.

With the March 25, 2025, signing of Executive Order 14247 — [Modernizing Payments to and From America's Bank Account](#) — the federal government is initiating a sweeping modernization of its financial operations. Effective September 30, 2025, all payments from the IRS must be processed electronically, marking a significant shift toward greater efficiency, enhanced security, and alignment with contemporary financial standards. Payments to the IRS will continue to use existing payment options, including payment by check, until further guidance is issued.

This transformation empowers the U.S. Department of the Treasury to overhaul the government's payment infrastructure, aiming to reduce costs, minimize fraud, and eliminate operational inefficiencies associated with paper-based transactions.

Accepted Electronic Payment Methods

Taxpayers now have access to a range of secure electronic payment options, including:

- Direct Pay from bank accounts
- Electronic Federal Tax Payment System (EFTPS)
- Electronic funds withdrawal during e-filing
- Debit or credit card payments via authorized processors
- Digital wallets
- IRS Online Account for managing payments and viewing balances

Exceptions and Waivers

While the shift to electronic payments is comprehensive, exceptions will be granted for individuals who:

- Lack access to traditional banking services.
- Do not have access to digital payment technologies.

The Department of the Treasury will publish revised guidance detailing the waiver process for eligible cases. This ensures that underserved and vulnerable populations maintain uninterrupted access to federal payments. As of now, the Treasury has issued a Request for Information (RFI) to gather public input on implementation strategies, but formal guidance is still pending.

Preparing for the Transition

While the Executive Order requires all payments from the IRS to be made electronically starting September 30, 2025, taxpayers are still awaiting final implementation guidance from the Treasury Department for making payments. Guidance is expected to be issued prior to the 2026 filing season. Taxpayers should continue to take proactive steps to ensure compliance with the new requirements:

- Establish an IRS online account
- Verify banking details for direct payments

- Familiarize themselves with EFTPS and other digital payment platforms

We recommend that taxpayers [set up an online IRS account](#) for secure payment management and access to tax information.

State Payments Remain Unchanged

It is important to note that Executive Order 14247 applies only to federal payments. State-level payments are not impacted by this order and will continue to follow existing procedures.

Next Steps

Don't wait to begin your transition. [Contact your BMF advisor](#) today to discuss your specific situation. We're here to help you navigate this change efficiently and effectively.

For the latest updates and guidance, visit irs.gov or contact BMF at bmf.cpa.