

[Company Name]  
[Company Address]  
[City, State, Zip Code]  
[Phone Number]

## NOTICE OF ACCOUNT CHARGE-OFF

Date: [Date]

To: [Customer Name]  
[Customer Address]  
[City, State, Zip Code]

Re: Account Number ending in [Last 4 Digits of Account Number]

Dear [Customer Name],

This letter is to formally notify you that your credit card account mentioned above has been charged off due to non-payment. Your account was consistently delinquent, and as of [Date], the balance of \$[Total Amount Owed] has been removed from our active accounts receivable and classified as a loss.

Please be advised of the following consequences regarding this charge-off:

- **Credit Reporting:** This charge-off status has been reported to the national credit reporting agencies. This will negatively impact your credit score and may remain on your credit report for up to seven years.
- **Debt Responsibility:** A charge-off does not release you from your legal obligation to pay the debt. You still owe the full balance of \$[Total Amount Owed].
- **Collections:** Your account may be transferred to an internal recovery department or a third-party collection agency to pursue the remaining balance.
- **Tax Implications:** If the debt is settled for less than the full amount or canceled, the forgiven amount may be considered taxable income by the IRS.

If you wish to resolve this matter or discuss payment options, please contact our Recovery Department immediately at [Phone Number] during the hours of [Hours of Operation].

Sincerely,

[Sender Name or Department]  
[Company Name]