

Bankruptcy and the IRS

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I. Obtaining information regarding your client

A. The IRS cannot disclose taxpayer information to third parties without a power of attorney form.

1. I.R.C. § 6103, Confidentiality and disclosure of returns and return information (which is attached in relevant part as Exhibit A).
2. Power of Attorney Forms are available online at irs.gov
 - Go to irs.gov
 - Click on “individual” in the upper left hand corner
 - Click on “ Forms and Publications” in the lower left corner under IRS Resources
 - Topical Search, click “P” for “Power of Attorney” list of additional information provided.
 - Form 2848 – Power of Attorney (Exhibit B)
 - Inst 2824 – Instructions for filling out Power of Attorney Form
 - Power of attorney forms are sent to a different location, so might be a good idea to attach a copy of form when contacting the IRS until get clearance.
3. Practicing before the IRS
 - a. Treas. Reg. §§ 601.501-601.508 (which is attached in relevant part as Exhibit C)
 - b. Circular 230 (which is attached in relevant part as Exhibit D)
 - c. Rev. Proc. 66-44 (which is attached in relevant part as Exhibit E)
 - d. IRS Publication 947

B. Request Return Transcripts

1. Debtors who do not have copies of their returns can obtain a tax return transcript which shows most of the line items of a return as filed. The return transcript is not a copy of the return but a computerized transcript.
 - a. There is no charge to obtain a transcript
 - b. Form 4506T is used to request a copy of the return transcript, which is then mailed or faxed to the IRS (Exhibit F)
 - c. Transcripts can also be ordered by calling 1-800-829-1040
 - c. Return Transcripts are available for the current and three prior calendar years
2. Copies of the debtors’ tax returns can also be requested.
 - a. There is a user fee for copies of the actual return
 - b. Form 4506 is used to request a copy of the return, which is then mailed to the IRS with a check or money order for \$39
3. Forms can be found on IRS.gov

C. E-Services Access (Separate Handout)

1. Once you obtain a valid Form 2848, you can check the status of taxpayer's tax liabilities on-line through E-Services
2. Much faster and more efficient than using Form 4506T to obtain copy of tax return transcript
3. E-Services is available 24 hours a day, 7 days a week (E-Services booklet)
4. E-Service Application Instructions (Green Sheet Handout)
5. FAQs for E-Service Access (Yellow Sheet Handout)
6. Sample Transcripts
 - a. Account Transcript (White or Blue Sheet Handout)
 - b. Wage and Income Transcript (Pink Sheet Handout)
 - c. Transaction Codes- you may encounter a transcript printout that has computerized codes, the Transaction Codes Pocket Guide will help you decipher what the computerized codes mean (Pocket Guide booklet)
7. E-help is available, help is also available at 866-255-0654 (E-help booklet)

II. Providing for the IRS in your bankruptcy plan

- A. Through using E-Services you can obtain information regarding amount of tax liabilities owed by your client and can better service your client in drafting a more accurate and feasible plan by knowing the tax liability amounts upfront

B. Filing and paying all tax returns pre- and post- petition

1. Pre-Petition Taxes

- a. Under Bankruptcy Code Section 1308(a), by the date of the 341 hearing debtors are to file "all tax returns for all taxable periods ending during the 4-year period on the date of the filing of the petition"

I. See also Local Bankruptcy Rule 1007.4

- b. Failure to file or pay pre-petition taxes can result in the dismissal or conversion of the case

I. 11 USC §1307(e): "Upon the failure of the debtor to file a tax return under section 1308, on request of a party in interest or the United States trustee and after notice and a hearing, the court shall dismiss a case or convert a case under this chapter to a case under chapter 7 of this title, whichever is in the best interest of the creditors and the estate."

2. Post-Petition Taxes

- a. Part of the policy behind bankruptcy is to give debtors a clean slate to work with and to remain current with financial obligations going forward; if a debtor does not remain current with his tax obligations his bankruptcy plan may be in trouble
- b. If the debtors are not able to remain up to date on current financial obligations it may be a sign that his plan is not feasible and that he cannot afford the plan payments

c. In a Chapter 11 case, failure to file or pay post petition taxes for debtors in chapter 11 can result in the case being dismissed or converted to another chapter under § 1112

d. In a Chapter 13 case, if tax returns are filed but liabilities not paid post-petition, IRS can file a § 1305 claim and add in the amount of post-petition tax liabilities to the bankruptcy

3. IRS Publication 908

C. 2009 tax liabilities for cases filed beginning January 1, 2010 but before the tax return filing deadline (April 15th, unless granted an extension), the IRS must include 2009 tax liabilities on its proof of claim as 2009 is a pre-petition tax year. The amount included on the proof of claim will be an estimated amount and once the return is filed the proof of claim will be amended to reflect the amount shown on the return.

1. Under Section 1308(a) of the Bankruptcy Code, debtors “shall file with appropriate tax authorities all tax returns for all taxable periods ending during the 4-year period ending on the date of the filing of the petition.” Since this 2009 period ended on December 31, 2009, this would be the type of pre-petition return covered by this provision. To further explain, the 2009 income tax year began on January 1, 2009 and ended on December 31, 2009. If December 31, 2009 falls prior to the bankruptcy petition date, tax period 2009 will be a pre-petition liability. When determining whether a tax liability is a pre-petition or post-petition liability, it is not important when the demand for payment is made, or when a return is due. Income tax liabilities for these type of liabilities become due on the last day of the tax period or December 31, 2009, in this case. In re Luongo, 259 F.3d 323 (5th Cir. 2001); *See also*, Matter of Midland Indus. Service Corp., 35 F.3d 164, 167 (5th Cir. 1994); In re Dixon, 210 B.R. 610 (Bankr. W.D. Okl. 1997).

D. Offsetting: IRS can offset pre-petition liabilities and pre-petition refunds and post-petition liabilities and post-petition refunds

1. 11 USC § 553

E. No outside of plan agreements, the IRS must be accounted for in full in the plan

1. Code provides for the IRS to receive equal payments throughout the plan, only in rare circumstances will the IRS agree to an alternative payment agreement

2. 11 USC § 1322

F. Joint/Several Liability cases- proof of claim will show amounts for both social security numbers but will only be collected once, the amounts are assessed against both social security numbers to protect the IRS in case one party falls out of the bankruptcy case; the second page of the proof of claim will also state that the amounts are to only be collected once

1. If debtors are concerned about amount to be paid out, can object to the proof of claim and then enter into a stipulation regarding amount to be paid to the IRS

G. Proper Notice

1. Make sure the IRS is given proper notice of the bankruptcy.
2. If the IRS is not given proper notice the IRS will not file a proof of claim in the bankruptcy.
3. If the IRS is not given proper notice they are not bound by the bankruptcy proceedings and your client may not be discharged of their IRS liabilities.
 - a. (§ 523(a)(3))
 - b. IRS address to be used for giving notice of a bankruptcy
 - i. Internal Revenue Service
P.O. Box 21126
Philadelphia, PA 19114
4. Interest continues to accrue on the tax liabilities if the IRS does not receive proper notice of the bankruptcy

H. Impact of the Automatic Stay

1. If the debtor is currently undergoing an audit, the examination process is not stayed, only collection activities.
 - a. (§ 362(b)(9))
2. The IRS may still proceed in issuing Notice of Deficiency, however, while in Bankruptcy the debtor is not allowed to file a petition in Tax Court.
 - a. (§ 362(a)(8))

III. Resolving IRS disputes outside of bankruptcy

- A. There are other avenues to settling a tax debt (i.e. for use where the IRS is the only creditor attempting collection against the taxpayer and bankruptcy does not appear to be a useful option- remember not all bankruptcies survive to the end)
- B. Information regarding the IRS Collection Process- Publication 594 (Exhibit G)
 1. Installment agreements (I.R.C. § 6159)
 - a. Debtor pays tax over a period of time
 - b. If less than \$25,000 is owed, the debtor may be eligible for an online payment agreement at IRS.gov and selecting I need to . . . Set Up a Payment from the drop down menu button
 - c. Installment agreements can be requested using Form 9465 (Exhibit H)
 2. Offers in Compromise (I.R.C. § 7122)
 - a. Debtor makes an offer to pay less than the amount owed
 - b. Three categories under which the IRS may accept an Offer in Compromise
 - i. Doubt as to Liability
 - ii. Doubt as to Collectibility
 - iii. Promote Effective Tax Administration
 - c. Offers in Compromise can be requested using Form 656 (Exhibit I)

Feel free to call us or the insolvency specialists before filing an objection to claim, adversary proceeding, motion to dismiss proof of claim, etc., as we may be able to resolve issues before incurring your clients the costs of filing fees.

Insolvency contact list- is an ever changing list; the contact person for their particular case is also usually listed on the front of the proof of claim (Exhibit J)

*The opinions expressed in this outline are of the attorneys listed above and not the Department of Justice or the IRS.

26 USCS § 6103

§ 6103. Confidentiality and disclosure of returns and return information.

(a) General rule. Returns and return information shall be confidential, and except as authorized by this title--

(1) no officer or employee of the United States,
(2) no officer or employee of any State, any local law enforcement agency receiving information under subsection (i)(7)(A), any local child support enforcement agency, or any local agency administering a program listed in subsection (l)(7)(D) who has or had access to returns or return information under this section or section 6104(c) [26 USCS § 6104(c)],
and

(3) no other person (or officer or employee thereof) who has or had access to returns or return information under subsection (e)(1)(D)(iii), paragraph (6), (10), (12), (16), (19), or (20) of subsection (l), paragraph (2) or (4)(B) of subsection (m), or subsection (n),

shall disclose any return or return information obtained by him in any manner in connection with his service as such an officer or an employee or otherwise or under the provisions of this section. For purposes of this subsection, the term "officer or employee" includes a former officer or employee.

(c) Disclosure of returns and return information to designee of taxpayer. The Secretary may, subject to such requirements and conditions as he may prescribe by regulations, disclose the return of any taxpayer, or return information with respect to such taxpayer, to such person or persons as the taxpayer may designate in a request for or consent to such disclosure, or to any other person at the taxpayer's request to the extent necessary to comply with a request for information or assistance made by the taxpayer to such other person. However, return information shall not be disclosed to such person or persons if the Secretary determines that such disclosure would seriously impair Federal tax administration.

(e) Disclosure to persons having material interest.

(1) In general. The return of a person shall, upon written request, be open to inspection by or disclosure to--

(A) in the case of the return of an individual--

(i) that individual,

(ii) the spouse of that individual if the individual and such spouse have signified their consent to consider a gift reported on such return as made one-half by him and one-half by the spouse pursuant to the provisions of section 2513 [26 USCS § 2513]; or

(iii) the child of that individual (or such child's legal representative) to the extent necessary to comply with the provisions of section 1(g) [26 USCS § 1(g)];

(B) in the case of an income tax return filed jointly, either of the individuals with respect to whom the return is filed;

(C) in the case of the return of a partnership, any person who was a member of such partnership during any part of the period covered by the return;

(D) in the case of the return of a corporation or a subsidiary thereof--

(i) any person designated by resolution of its board of directors or other similar governing body,

(ii) any officer or employee of such corporation upon written request signed by any principal officer and attested to by the secretary or other officer,

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(iii) any bona fide shareholder of record owning 1 percent or more of the outstanding stock of such corporation,

(iv) if the corporation was an S corporation, any person who was a shareholder during any part of the period covered by such return during which an election under section 1362(a) [26 USCS § 1362(a)] was in effect, or

(v) if the corporation has been dissolved, any person authorized by applicable State law to act for the corporation or any person who the Secretary finds to have a material interest which will be affected by information contained therein;

(E) in the case of the return of an estate--

(i) the administrator, executor, or trustee of such estate, and

(ii) any heir at law, next of kin, or beneficiary under the will, of the decedent, but only if the Secretary finds that such heir at law, next of kin, or beneficiary has a material interest which will be affected by information contained therein; and

(F) in the case of the return of a trust--

(i) the trustee or trustees, jointly or separately, and

(ii) any beneficiary of such trust, but only if the Secretary finds that such beneficiary has a material interest which will be affected by information contained therein.

(2) Incompetency. If an individual described in paragraph (1) is legally incompetent, the applicable return shall, upon written request, be open to inspection by or disclosure to the committee, trustee, or guardian of his estate.

(3) Deceased individuals. The return of a decedent shall, upon written request, be open to inspection by or disclosure to--

(A) the administrator, executor, or trustee of his estate, and

(B) any heir at law, next of kin, or beneficiary under the will, of such decedent, or a donee of property, but only if the Secretary finds that such heir at law, next of kin, beneficiary, or donee has a material interest which will be affected by information contained therein.

(4) Title 11 cases and receivership proceedings. If--

(A) there is a trustee in a title 11 case in which the debtor is the person with respect to whom the return is filed, or

(B) substantially all of the property of the person with respect to whom the return is filed is in the hands of a receiver,

such return or returns for prior years of such person shall, upon written request, be open to inspection by or disclosure to such trustee or receiver, but only if the Secretary finds that such trustee or receiver, in his fiduciary capacity, has a material interest which will be affected by information contained therein.

(5) Individual's title 11 case.

(A) In general. In any case to which section 1398 [26 USCS § 1398] applies (determined without regard to section 1398(b)(1) [26 USCS § 1398(b)(1)]), any return of the debtor for the taxable year in which the case commenced or any preceding taxable year shall, upon written request, be open to inspection by or disclosure to the trustee in such case.

(B) Return of estate available to debtor. Any return of an estate in a case to which section 1398 [26 USCS § 1398] applies shall, upon written request, be open to inspection by or disclosure to the debtor in such case.

(C) Special rule for involuntary cases. In an involuntary case, no disclosure shall be made under subparagraph (A) until the order for relief has been entered by the court having jurisdiction of such case unless such court finds that such disclosure is appropriate for purposes of determining whether an order for relief should be entered.

(6) Attorney in fact. Any return to which this subsection applies shall, upon written request, also be open to inspection by or disclosure to the attorney in fact duly authorized in writing by any of the persons described in paragraph (1), (2), (3), (4), (5), (8), or (9) to inspect the return or receive the information on his behalf, subject to the conditions

provided in such paragraphs.

(7) Return information. Return information with respect to any taxpayer may be open to inspection by or disclosure to any person authorized by this subsection to inspect any return of such taxpayer if the Secretary determines that such disclosure would not seriously impair Federal tax administration.

(8) Disclosure of collection activities with respect to joint return. If any deficiency of tax with respect to a joint return is assessed and the individuals filing such return are no longer married or no longer reside in the same household, upon request in writing by either of such individuals, the Secretary shall disclose in writing to the individual making the request whether the Secretary has attempted to collect such deficiency from such other individual, the general nature of such collection activities, and the amount collected. The preceding sentence shall not apply to any deficiency which may not be collected by reason of section 6502 [26 USCS § 6502].

(9) Disclosure of certain information where more than 1 person subject to penalty under section 6672. If the Secretary determines that a person is liable for a penalty under section 6672(a) [26 USCS § 6672] with respect to any failure, upon request in writing of such person, the Secretary shall disclose in writing to such person--

(A) the name of any other person whom the Secretary has determined to be liable for such penalty with respect to such failure, and

(B) whether the Secretary has attempted to collect such penalty from such other person, the general nature of such collection activities, and the amount collected.

(10) Limitation on certain disclosures under this subsection. In the case of an inspection or disclosure under this subsection relating to the return of a partnership, S corporation, trust, or an estate, the information inspected or disclosed shall not include any supporting schedule, attachment, or list which includes the taxpayer identity information of a person other than the entity making the return or the person conducting the inspection or to whom the disclosure is made.

(q) Regulations. The Secretary is authorized to prescribe such other regulations as are necessary to carry out the provisions of this section.

Power of Attorney and Declaration of Representative

▶ Type or print. ▶ See the separate instructions.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney

Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address	Social security number(s) : : : : Daytime telephone number ()	Employer identification number Plan number (if applicable)
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hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific Uses Not Recorded on CAF** ▶

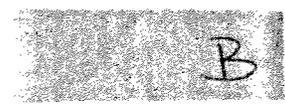
5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative or add additional representatives, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 1 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Treasury Department Circular No. 230 (Circular 230). An enrolled retirement plan administrator may only represent taxpayers to the extent provided in section 10.3(e) of Circular 230. See the line 5 instructions for restrictions on tax matters partners. In most cases, the student practitioner's (levels k and l) authority is limited (for example, they may only practice under the supervision of another practitioner).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ _____



- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.
- a** If you also want the second representative listed to receive a copy of notices and communications, check this box
- b** If you do not want any notices or communications sent to your representative(s), check this box

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here.

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.

Signature	Date	Title (if applicable)
Print Name	PIN Number <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Print name of taxpayer from line 1 if other than individual
Signature	Date	Title (if applicable)
Print Name	PIN Number <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program (levels k and l), see the instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Circular 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a** Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent—enrolled as an agent under the requirements of Circular 230.
 - d** Officer—a bona fide officer of the taxpayer's organization.
 - e** Full-Time Employee—a full-time employee of the taxpayer.
 - f** Family Member—a member of the taxpayer's immediate family (for example, spouse, parent, child, brother, or sister).
 - g** Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - h** Unenrolled Return Preparer—the authority to practice before the Internal Revenue Service is limited by Circular 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 1 of the instructions.
 - k** Student Attorney—student who receives permission to practice before the IRS by virtue of their status as a law student under section 10.7(d) of Circular 230.
 - l** Student CPA—student who receives permission to practice before the IRS by virtue of their status as a CPA student under section 10.7(d) of Circular 230.
 - r** Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. See the Part II instructions.

Designation—Insert above letter (a-r)	Jurisdiction (state) or identification	Signature	Date

26 CFR 601.501-601.508

§ 601.501 Scope of rules; definitions.

(a) Scope of rules. The rules prescribed in this subpart concern, among other things, the representation of taxpayers before the Internal Revenue Service under the authority of a power of attorney. These rules apply to all offices of the Internal Revenue Service in all matters under the jurisdiction of the Internal Revenue Service and apply to practice before the Internal Revenue Service (as defined in 31 CFR 10.2(a) and 10.7(a)(7)). . . . These rules detail the means by which a recognized representative is authorized to act on behalf of a taxpayer. Such authority must be evidenced by a power of attorney and declaration of representative filed with the appropriate office of the Internal Revenue Service. In general, a power of attorney must contain certain information concerning the taxpayer, the recognized representative, and the specific tax matter(s) for which the recognized representative is authorized to act. (See § 601.503(a).) A "declaration of representative" is a written statement made by a recognized representative that he/she is currently eligible to practice before the Internal Revenue Service and is authorized to represent the particular party on whose behalf he/she acts. (See § 601.502(c).)

(b) Definitions -- (1). Attorney-in-fact. An agent authorized by a principal under a power of attorney to perform certain specified act(s) or kinds of act(s) on behalf of the principal.

(2) Centralized Authorization File (CAF) system. An automated file containing information regarding the authority of a person appointed under a power of attorney or designated under a tax information authorization.

(3) Circular No. 230. Treasury Department Circular No. 230 codified, at 31 CFR part 10, which sets forth the regulations governing practice before the Internal Revenue Service.

(4) Declaration of representative. (See § 601.502(c).)

(5) Delegation of authority. An act performed by a recognized representative whereby authority given under a power of attorney is delegated to another recognized representative. After a delegation is made, both the original recognized representative and the recognized representative to whom a delegation is made will be recognized to represent the taxpayer. (See § 601.505(b)(2).)

(6) Form 2848, "Power of Attorney and Declaration of Representative." The Internal Revenue Service power of attorney form which may be used by a taxpayer who wishes to appoint an individual to represent him/her before the Internal Revenue Service. (See § 601.503(b)(1).)

(7) Matter. The application of each tax imposed by the Internal Revenue Code and the regulations thereunder for each taxable period constitutes a (separate) matter.

(8) Office of the Internal Revenue Service. The Office of each district director, the office of each service center, the office of each compliance center, the office of each regional commissioner, and the National Office constitute separate offices of the Internal Revenue Service.

(9) Power of attorney. A document signed by the taxpayer, as principal, by which an individual is appointed as attorney-in-fact to perform certain specified act(s) or kinds

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of act(s) on behalf of the principal. Specific types of powers of attorney include the following --

(i) General power of attorney. The attorney-in-fact is authorized to perform any or all acts the taxpayer can perform.

(ii) Durable power of attorney. A power of attorney which specifies that the appointment of the attorney-in-fact will not end due to either the passage of time (i.e., the authority conveyed will continue until the death of the taxpayer) or the incompetency of the principal (e.g., the principal becomes unable or is adjudged incompetent to perform his/her business affairs).

(iii) Limited power of attorney. A power of attorney which is limited in any facet (i.e., a power of attorney authorizing the attorney-in-fact to perform only certain specified acts as contrasted to a general power of attorney authorizing the representative to perform any and all acts the taxpayer can perform).

(10) Practice before the Internal Revenue Service. Practice before the Internal Revenue Service encompasses all matters connected with presentation to the Internal Revenue Service or any of its personnel relating to a taxpayer's rights, privileges, or liabilities under laws or regulations administered by the Internal Revenue Service. Such presentations include the preparation and filing of necessary documents, correspondence with and communications to the Internal Revenue Service, and the representation of a taxpayer at conferences, hearings, and meetings. (See 31 CFR 10.2(a) and 10.7(a)(7).)

(11) Principal. A person (i.e., taxpayer) who appoints an attorney-in-fact under a power of attorney.

(12) Recognized representative. An individual who is recognized to practice before the Internal Revenue Service under the provisions of § 601.502.

(13) Representation. Acts performed on behalf of a taxpayer by a representative in practice before the Internal Revenue Service. (See § 601.501(b)(10).) Representation does not include the furnishing of information at the request of the Internal Revenue Service or any of its officers or employees. (See 31 CFR 10.7(c).)

(14) Substitution of representative. An act performed by an attorney-in-fact whereby authority given under a power of attorney is transferred to another recognized representative. After a substitution is made, only the newly recognized representative will be considered the taxpayer's representative. (See § 601.505(b)(2).)

(15) Tax information authorization. A document signed by the taxpayer authorizing any individual or entity (e.g., corporation, partnership, trust or organization) designated by the taxpayer to receive and/or inspect confidential tax information in a specified matter. (See section 6103 of the Internal Revenue Code [26 USCS § 6103] and the regulations thereunder.)

§ 601.502 Recognized representative.

(a) A recognized representative is an individual who is

(1) Appointed as an attorney-in-fact under a power of attorney, and a

(2) Member of one of the categories described in § 601.502(b) and who files a declaration of representative, as described in § 601.502(c).

(b) Categories -- (1) Attorney. Any individual who is a member in good standing of the bar of the highest court of any state, possession, territory, commonwealth, or the District of Columbia . . .

(c) Declaration of representative. A recognized representative must attach to the power of attorney a written declaration (e.g., part II of form 2848) stating the following --

(1) I am not currently under suspension or disbarment from practice before the Internal Revenue Service or other practice of my profession by any other authority;

(2) I am aware of the regulations contained in Treasury Department Circular No. 230 (31 CFR part 10), concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others);

(3) I am authorized to represent the taxpayer(s) identified in the power of attorney; and

(4) I am an individual described in § 601.502(b).

If an individual is unable to make such declaration, he/she may not engage in representation of a taxpayer before the Internal Revenue Service or perform the acts described in §§ 601.504(a) (2) through (6).

§ 601.503 Requirements of power of attorney, signatures, fiduciaries and Commissioner's authority to substitute other requirements.

(a) Requirements. A power of attorney must contain the following information --

(1) Name and mailing address of the taxpayer;

(2) Identification number of the taxpayer (i.e., social security number and/or employer identification number);

(3) Employee plan number (if applicable);

(4) Name and mailing address of the recognized representative(s);

(5) Description of the matter(s) for which representation is authorized which, if applicable, must include --

(i) The type of tax involved;

(ii) The Federal tax form number;

(iii) The specific year(s)/period(s) involved; and

(iv) In estate matters, decedent's date of death; and

(6) A clear expression of the taxpayer's intention concerning the scope of authority granted to the recognized representative(s).

(b) Acceptable power of attorney documents -- (1) Form 2848. A properly completed form 2848 satisfies the requirements for both a power of attorney (as described in § 601.503(a)) and a declaration of representative (as described in § 601.502(c)). . .

(c) Signatures. Internal Revenue Service officials may require a taxpayer (or such individual(s) required or authorized to sign on behalf of a taxpayer) to submit appropriate identification or evidence of authority. Except when form 2848 (or its equivalent) is executed by an attorney-in-fact under the provisions of § 601.503(b)(3), the individual who must execute a form 2848 depends on the type of taxpayer involved --

(1) Individual taxpayer. In matter(s) involving an individual taxpayer, a power of attorney must be signed by such individual.

(2) Husband and wife. In matters involving a joint return the following rules apply --

(i) Joint representation. In the case of any matter concerning a joint return in which both husband and wife are to be represented by the same representative(s), the power of attorney must be executed by both husband and wife.

(ii) Individual representation. In the case of any matter concerning a joint return in which both husband and wife are not to be represented by the same recognized representative(s), the power of attorney must be executed by the spouse who is to be represented. However, the recognized representative of such spouse cannot perform any act with respect to a tax matter that the spouse being represented cannot perform alone.

(3) Corporation. In the case of a corporation, a power of attorney must be executed by an officer of the corporation having authority to legally bind the corporation, who must certify that he/she has such authority.

(4) Association. In the case of an association, a power of attorney must be executed by an officer of the association having authority to legally bind the association, who must certify that he/she has such authority.

(5) Partnership. In the case of a partnership, a power of attorney must be executed by all partners, or if executed in the name of the partnership, by the partner or partners duly authorized to act for the partnership, who must certify that he/she has such authority.

(6) Dissolved partnership. In the case of a dissolved partnership, each of the former partners must execute a power of attorney. However, if one or more of the former partners is deceased, the following provisions apply --

(i) The legal representative of each deceased partner(s) (or such person(s) having legal control over the disposition of partnership interest(s) and/or the share of partnership asset(s) of the deceased partner(s)) must execute a power of attorney in the place of such deceased partner(s). (See § 601.503(c)(6)(ii).)

(ii) Notwithstanding § 601.503(c)(6)(i), if the laws of the governing jurisdiction provide that such partner(s) has exclusive right to control or possession of the firm's assets for the purpose of winding up its affairs, the signature(s) of the surviving partner(s) alone will be sufficient. (If the surviving partner(s) claims exclusive right to control or possession of the firm's assets for the purpose of winding up its affairs, Internal Revenue Service officials may require the submission of a copy of or a citation to the pertinent provisions of the law of the governing jurisdiction upon which the surviving partner(s) relies.) . . .

§ 601.504 Requirements for filing power of attorney.

(a) Situations in which a power of attorney is required. Except as otherwise provided in § 601.504(b), a power of attorney is required by the Internal Revenue Service when the taxpayer wishes to authorize a recognized representative to perform one or more of the following acts on behalf of the taxpayer --

(1) Representation. (See §§ 601.501(b)(10) and 601.501(b)(13).)

(6) Signing tax returns. The filing of a power of attorney does not authorize the recognized representative to sign a tax return on behalf of the taxpayer unless such act is both --

(i) Permitted under the Internal Revenue Code and the regulations thereunder (e.g., the authority to sign income tax returns is governed by the provisions of § 1.6012-1(a)(5) of the Income Tax Regulations); and

(ii) Specifically authorized in the power of attorney.

(b) Situations in which a power of attorney is not required. (1) Disclosure of confidential tax information. The submission of a tax information authorization to request a disclosure of confidential tax information does not constitute practice before the Internal Revenue Service. (Such procedure is governed by the provisions of section 6103 of the Internal Revenue Code [26 USCS § 6103] and the regulations thereunder.) Nevertheless, if a power of attorney is properly filed, the recognized representative also is authorized to receive and/or inspect confidential tax information concerning the matter(s) specified (provided the power of attorney places no limitations upon such disclosure).

(3) Bankruptcy matters. A power of attorney is not required in the case of a trustee, receiver, or an attorney (designated to represent a trustee, receiver, or debtor in possession) appointed by a court having jurisdiction over a debtor. In such a case, Internal Revenue Service officials may require the submission of a certificate from the court having jurisdiction over the debtor showing the appointment and qualification of the trustee, receiver, or attorney and that his/her authority has not been terminated. In cases pending before a court of the United States (e.g., U.S. District Court or U.S. Bankruptcy Court), an authenticated copy of the order approving the bond of the trustee, receiver, or attorney will meet this requirement.

(c) Administrative requirements of filing -- (1) General. Except as provided in this section, a power of attorney (including the declaration of representative and any other required

statement(s)) must be filed in each office of the Internal Revenue Service in which the recognized representative desires to perform one or more of the acts described in § 601.504(a).

(4) Copy of power of attorney. The Internal Revenue Service will accept either the original or a copy of a power of attorney. A copy of a power of attorney received by facsimile transmission (FAX) also will be accepted.

(d) Practice by correspondence. If an individual desires to represent a taxpayer through correspondence with the Internal Revenue Service, such individual must submit a power of attorney, including the declaration of representative and any other required statement(s), even though no personal appearance is contemplated.

§ 601.505 Revocation, change in representation and substitution or delegation of representative.

(a) By the taxpayer -- (1) New power of attorney filed. A new power of attorney revokes a prior power of attorney if it is granted by the taxpayer to another recognized representative with respect to the same matter. However, a new power of attorney does not revoke a prior power of attorney if it contains a clause stating that it does not revoke such prior power of attorney and there is attached to the new power of attorney either --

- (i) a copy of the unrevoked prior power of attorney; or
- (ii) a statement signed by the taxpayer listing the name and address of each recognized representative authorized under the prior unrevoked power of attorney.

(2) Statement of revocation filed. A taxpayer may revoke a power of attorney without authorizing a new representative by filing a statement of revocation with those offices of the Internal Revenue Service where the taxpayer has filed the power of attorney to be revoked. The statement of revocation must indicate that the authority of the first power of attorney is revoked and must be signed by the taxpayer. Also, the name and address of each recognized representative whose authority is revoked must be listed (or a copy of the power of attorney to be revoked must be attached).

(b) By the recognized representative -- (1) Revocation of power of attorney. A recognized representative may withdraw from representation in a matter in which a power of attorney has been filed by filing a statement with those offices of the Internal Revenue Service where the power of attorney to be revoked was filed. The statement must be signed by the representative and must identify the name and address of the taxpayer(s) and the matter(s) from which the representative is withdrawing.

(2) Substitution or delegation of recognized representative. Any recognized representative appointed in a power of attorney may substitute or delegate authority under the power of attorney to another recognized representative if substitution or delegation is specifically permitted under the power of attorney. Unless otherwise provided in the power of attorney, a recognized representative may make a substitution or delegation without the consent of any other recognized representative appointed to represent the taxpayer in the same matter. A substitution or delegation

if effected by filing the following items with offices of the Internal Revenue Service where the power of attorney has been filed --

(i) Notice of substitution or delegation. A Notice of Substitution or Delegation is a statement signed by the recognized representative appointed under the power of attorney. The statement must contain the name and mailing address of the new recognized representative and, if more than one individual is to represent the taxpayer in the matter, a designation of which recognized representative is to receive notices and other written communications;

(ii) Declaration of representative. A written declaration which is made by the new representative as required by § 601.502(c); and

(iii) Power of attorney. A power of attorney which specifically authorizes the substitution or delegation.

An employee of a recognized representative may not be substituted for his/her employer with respect to the representation of a taxpayer before the Internal Revenue Service unless the employee is a recognized representative in his/her own capacity under the provisions of § 601.502(b). However, even if such employee is not a recognized representative in his/her own capacity under the provisions of § 601.502(a), that individual may be authorized by the taxpayer under a tax information authorization to receive and/or inspect confidential tax information under the provisions of section 6103 of the Internal Revenue Code [26 USCS § 6103] and the regulations thereunder.

§ 601.506 Notices to be given to recognized representative; direct contact with taxpayer; delivery of a check drawn on the United States Treasury to recognized representative.

(a) General. Any notice or other written communication (or a copy thereof) required or permitted to be given to a taxpayer in any matter before the Internal Revenue Service must be given to the taxpayer and, unless restricted by the taxpayer, to the representative . . .

(b) Cases where taxpayer may be contacted directly. Where a recognized representative has unreasonably delayed or hindered an examination, collection or investigation by failing to furnish, after repeated request, nonprivileged information necessary to the examination, collection or investigation, the Internal Revenue Service employee conducting the examination, collection or investigation may request the permission of his/her immediate supervisor to contact the taxpayer directly for such information.

(2) Effect of direct notification. Permission to by-pass a recognized representative and contact a taxpayer directly does not automatically disqualify an individual to act as the recognized representative of a taxpayer in a matter. However, such information may be referred to the Director of Practice for possible disciplinary proceedings under Circular No. 230, 31 CFR part 10.

(d) Centralized Authorization File (CAF) system -- (1) Information recorded onto the CAF system. Information from both powers of attorney and tax information authorizations is

recorded onto the CAF system. Such information enables Internal Revenue Service personnel who do not have access to the actual power of attorney or tax information authorizations to --

- (i) Determine whether a recognized representative or an appointee is authorized by a taxpayer to receive and/or inspect confidential tax information;
- (ii) Determine, in the case of a recognized representative, whether that representative is authorized to perform the acts set forth in § 601,504(a); and
- (iii) Send copies of computer generated notices and communications to an appointee or recognized representative so authorized by the taxpayer.

(2) CAF number. A Centralized Authorization File (CAF) number generally will be issued to --

- (i) A recognized representative who files a power of attorney and a written declaration of representative; or
- (ii) An appointee authorized under a tax information authorization.

The issuance of a CAF number does not indicate that a person is either recognized or authorized to practice before the Internal Revenue Service. Such determination is made under the provisions of Circular No. 230, 31 CFR part 10. The purpose of the CAF number is to facilitate the processing of a power of attorney or a tax information authorization submitted by a recognized representative or an appointee. A recognized representative or an appointee should include the same CAF number on every power of attorney or tax information authorization filed. However, because the CAF number is not a substantive requirement (i.e., as listed in § 601.503(a)), a tax information authorization or power of attorney which does not include such number will not be rejected based on the absence of a CAF number.

(3) Tax matters recorded on CAF. Although a power of attorney or tax information authorization may be filed in all matters under the jurisdiction of the Internal Revenue Service, only those documents which meet each of the following criteria will be recorded onto the CAF system --

- (i) Specific tax period. Only documents which concern a matter(s) relating to a specific tax period will be recorded onto the CAF system. A power of attorney or tax information authorization filed in a matter unrelated to a specific period (e.g., the 100% penalty for failure to pay over withholding taxes imposed by section 6672 of the Internal Revenue Code, [26 USCS § 6672] applications for an employer identification number, and requests for a private letter ruling request pertaining to a proposed transaction) cannot be recorded onto the CAF system.
- (ii) Future three-year limitation. Only documents which concern a tax period that ends no later than three years after the date on a power of attorney is received by the Internal Revenue Service will be recorded onto the CAF system. For example, a power of attorney received by the Internal Revenue

Service on August 1, 1990, which indicates that the authorization applies to form 941 for the quarters ended December 31, 1990 through December 31, 2000, will be recorded onto the CAF system for the applicable tax periods which end no later than July 31, 1993 (i.e., three years after the date of receipt by the Internal Revenue Service).

(iii) Documents for prior tax periods. Documents which concern any tax period which has ended prior to the date on which a power of attorney is received by the Internal Revenue Service will be recorded onto the CAF system provided that matters concerning such years are under consideration by the Internal Revenue Service.

(iv) Limitation on representatives recorded onto the CAF system. No more than three representatives appointed under a power of attorney or three persons designated under a tax information authorization will be recorded onto the CAF system. If more than three representatives are appointed under a power of attorney or more than three persons designated under a tax information authorization, only the first three names will be recorded onto the CAF system.

The fact that a power of attorney or tax information authorization cannot be recorded onto the CAF system is not determinative of the (current or future) validity of such document. (For example, documents which concern tax periods that end more than three years from the date of receipt by the IRS are not invalid for the period(s) not recorded onto the CAF system, but can be resubmitted at a later date.)

§ 601.507 Evidence required to substantiate facts alleged by a recognized representative.

The Internal Revenue Service may require a recognized representative to submit all evidence, except that of a supplementary or incidental character, over a declaration (signed under penalty of perjury) that the recognized representative prepared such submission and that the facts contained therein are true. In any case in which a recognized representative is unable or unwilling to declare his/her own knowledge that the facts are true and correct, the Internal Revenue Service may require the taxpayer to make such a declaration under penalty of perjury.

§ 601.508 Dispute between recognized representatives of a taxpayer.

Where there is a dispute between two or more recognized representatives concerning who is entitled to represent a taxpayer in a matter pending before the Internal Revenue Service (or to receive a check drawn on the United States Treasury), the Internal Revenue Service will not recognize any party. However, if the contesting recognized representatives designate one or more of their number under the terms of an agreement signed by all, the Internal Revenue Service will recognize such designated recognized representatives upon receipt of a copy of such agreement according to the terms of the power of attorney.

§ 10.2 Definitions.

(a) As used in this part, except where the text provides otherwise--

(1) Attorney means any person who is a member in good standing of the bar of the highest court of any state, territory, or possession of the United States, including a Commonwealth, or the District of Columbia.

(3) Commissioner refers to the Commissioner of Internal Revenue.

(4) Practice before the Internal Revenue Service comprehends all matters connected with a presentation to the Internal Revenue Service or any of its officers or employees relating to a taxpayer's rights, privileges, or liabilities under laws or regulations administered by the Internal Revenue Service. Such presentations include, but are not limited to, preparing and filing documents, corresponding and communicating with the Internal Revenue Service, rendering written advice with respect to any entity, transaction, plan or arrangement, or other plan or arrangement having a potential for tax avoidance or evasion, and representing a client at conferences, hearings and meetings.

(6) A tax return includes an amended tax return and a claim for refund.

(7) Service means the Internal Revenue Service.

(b) Effective/applicability date. This section is applicable on September 26, 2007.

§ 10.3 Who may practice.

(a) Attorneys. Any attorney who is not currently under suspension or disbarment from practice before the Internal Revenue Service may practice before the Internal Revenue Service by filing with the Internal Revenue Service a written declaration that the attorney is currently qualified as an attorney and is authorized to represent the party or parties. Notwithstanding the preceding sentence, attorneys who are not currently under suspension or disbarment from practice before the Internal Revenue Service are not required to file a written declaration with the IRS before rendering written advice covered under § 10.35 or § 10.37, but their rendering of this advice is practice before the Internal Revenue Service.

(f) Others. Any individual qualifying under paragraph (d) of § 10.5 or § 10.7 is eligible to practice before the Internal Revenue Service to the extent provided in those sections.

§ 10.7 Representing oneself; participating in rulemaking; limited practice; special appearances; and return preparation.



(a) Representing oneself. Individuals may appear on their own behalf before the Internal Revenue Service provided they present satisfactory identification.

(c) Limited practice -- (1) In general. Subject to the limitations in paragraph (c)(2) of this section, an individual who is not a practitioner may represent a taxpayer before the Internal Revenue Service in the circumstances described in this paragraph (c)(1), even if the taxpayer is not present, provided the individual presents satisfactory identification and proof of his or her authority to represent the taxpayer. The circumstances described in this paragraph (c)(1) are as follows:

(i) An individual may represent a member of his or her immediate family.

(ii) A regular full-time employee of an individual employer may represent the employer.

(iii) A general partner or a regular full-time employee of a partnership may represent the partnership.

(iv) A bona fide officer or a regular full-time employee of a corporation (including a parent, subsidiary, or other affiliated corporation), association, or organized group may represent the corporation, association, or organized group.

(v) A regular full-time employee of a trust, receivership, guardianship, or estate may represent the trust, receivership, guardianship, or estate.

(2) Limitations. (i) An individual who is under suspension or disbarment from practice before the Internal Revenue Service may not engage in limited practice before the Internal Revenue Service under paragraph (c)(1) of this section.

(iii) An individual who represents a taxpayer under the authority of paragraph (c)(1) of this section is subject, to the extent of his or her authority, to such rules of general applicability regarding standards of conduct and other matters as the Director of the Office of Professional Responsibility prescribes.

(f) Fiduciaries. For purposes of this part, a fiduciary (i.e., a trustee, receiver, guardian, personal representative, administrator, or executor) is considered to be the taxpayer and not a representative of the taxpayer.

APPLICABLE SECTIONS:

26 CFR 601.501: Scope of requirements.

SECTION 1. PURPOSE.

The purpose of this Revenue Procedure is to implement the new provisions in Treasury Department Circular No. 230 (revised), page 1171, this Bulletin, which are effective after September 12, 1966, pending issuance of amended regulations on Conference and Practice Requirements, Statement of Procedural Rules, 26 CFR, Part 601, dealing with enrollment and recognition requirements.

SEC. 2. APPLICABILITY.

.01 This Revenue Procedure applies to all persons who seek to practice before the Internal Revenue Service; however, it is concerned primarily with attorneys and certified public accountants who are now authorized to practice without enrollment.

.02 The provisions of present regulations on Conference and Practice Requirements remain unchanged except as modified by Circular No. 230 (revised) or this Revenue Procedure.

SEC. 4. PRACTICE WITHOUT ENROLLMENT.

.01 Attorneys and certified public accountants, who are in good standing and not currently under disbarment or suspension to practice before the Service, are authorized to practice upon filing a written declaration in accordance with provisions of section 10.3 of Circular 230.

.04 A declaration once filed and associated with appropriate tax return(s) or other matter(s) will be presumed to remain valid unless the Service has evidence to the contrary. In view of the above, a declaration will ordinarily be requested regarding a particular matter only upon the first appearance of an attorney or certified public accountant before the Service.

.05 Powers of attorney will continue to be required in accordance with present power of attorney regulations. Neither the provisions of Public Law 89-332, C.B. 1965-2, 640, nor the provisions of Circular 230 (revised) are intended to exempt attorneys and certified public accountants from such requirements. . . .

SEC. 7. EFFECTIVE DATE.

This Revenue Procedure shall be effective on and after September 13, 1966.



▶ **Request may be rejected if the form is incomplete or illegible.**

Department of the Treasury
Internal Revenue Service

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number if joint tax return

3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code

4 Previous address shown on the last return filed if different from line 3

5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.

Caution. If the transcript is being mailed to a third party, ensure that you have filled in line 6 and line 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy.

6 **Transcript requested.** Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶

- a **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days
- b **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days
- c **Record of Account**, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days

7 **Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days

8 **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2007, filed in 2008, will not be available from the IRS until 2009. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days

Caution. If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note.** For transcripts being sent to a third party, this form must be received *within 120 days of signature date*.

Telephone number of taxpayer on line 1a or 2a

Sign Here

Signature (see instructions)	Date
Title (if line 1a above is a corporation, partnership, estate, or trust)	
Spouse's signature	Date



General Instructions

Purpose of form. Use Form 4506-T to request tax return information. You can also designate a third party to receive the information. See line 5.

Tip. Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

Where to file. Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart below shows two different RAIVS teams, send your request to the team based on the address of your most recent return.

Automated transcript request. You can call 1-800-829-1040 to order a transcript through the automated self-help system. Follow prompts for "questions about your tax account" to order a tax return transcript.

Chart for individual transcripts (Form 1040 series and Form W-2)

If you filed an individual return and lived in:	Mail or fax to the "Internal Revenue Service" at:
Florida, Georgia, North Carolina, South Carolina	RAIVS Team P.O. Box 47-421 Stop 91 Doraville, GA 30362 770-455-2335
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team Stop 6716 AUSC Austin, TX 73301 512-460-2272
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	RAIVS Team Stop 37106 Fresno, CA 93888 559-456-5876
Arkansas, Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia	RAIVS Team Stop 6705 P-6 Kansas City, MO 64999 816-292-6102

Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to the "Internal Revenue Service" at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 801-620-6922
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250 859-669-3592

Line 1b. Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 6. Enter only one tax form number per request.

Signature and date. Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the information be sent to a third party, the IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected.

Individuals. Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

Partnerships. Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

All others. See Internal Revenue Code section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 12 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where to file* on this page.

IRS Mission:

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all

The IRS Collection Process

Publication 594

Keep this publication for future reference

This publication tells you the steps the Internal Revenue Service (IRS) may take to collect your balance due account. We send this publication with your final bill if our records show you owe overdue tax, penalty, or interest. We may:

- contact you by telephone,
- assign a revenue officer to resolve your account (the revenue officer may contact you in person), and/or
- take enforced collection action to collect the amount you owe.

We urge you to resolve your account to prevent possible enforcement action.

- Please pay immediately if you owe the amount shown on the bill.
- Contact us now if you believe the bill is incorrect so that we may correct any mistakes.

Page 2 of this publication provides information about how to contact us. We will work with you to solve your tax problem.

A number of IRS forms and publications apply to various situations discussed in this publication. To obtain these forms and publications, please visit our web site www.irs.gov, call us at 1-800-TAX-FORM (1-800-829-3676), write to us, or visit your local library or IRS office.

Please note that the information in this document applies to all taxpayers including individuals who owe income tax and employers who owe employment tax. A separate section on page 11 describes special rules that apply to employers only.

This document includes a summary of your rights and responsibilities concerning paying Federal taxes, in addition to discussing the legal authority that allows the IRS to collect taxes. Publication 594 is not a precise and technical analysis of the law, it is for information only.



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Internal Revenue Service

www.irs.gov

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en español

Existe una versión de esta publicación en español, la Publicación 594SP, que puede obtener en la oficina local del Servicio de Impuestos Internos.



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 **Do you have questions or need help right away? Call us. We're here to help you.**



For tax information and help:

Call the number on the bill you received.
If you do not have a bill, call 1-800-829-1040 for individuals or 1-800-829-4933 for businesses.



For tax forms and publications:

1-800-TAX-FORM (1-800-829-3676)
1-800-829-4059 / TDD



Access our Webpage on the Internet: www.irs.gov

File Transfer Protocol – [ftp.irs.ustreas.gov](ftp://ftp.irs.ustreas.gov)
Online Payment Agreement –
<http://www.irs.gov/individuals/article/0,,id=149373,00.html>

You will find answers to frequently asked tax questions, online tax forms, online publications, hot tax issues, news, and how to get help through e-mail.



If you prefer to write to us . . .

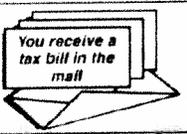
If you do not have a copy of your bill, print the following on any correspondence you send to us: your name, social security number or other taxpayer identification number, and the tax form and period shown on your bill.



You can also visit your nearest IRS office . . .

You will find the exact address in your local phone book under U.S. Government.

What to Do When You Receive a Bill from the IRS



You receive a tax bill in the mail

If it is correct . . .

Pay the full amount now . . .

See page 5

If it is not correct . . .

Gather copies of:

- the bill
- any records
- tax returns, and

See page 4

If you are unable to pay in full . . .

Pay in monthly installments

- By: Direct Debit
 Payroll Deduction
 Check or Money

Order
See page 5

Or . . .

Possible Payment Sources:

- Available Funds (cash, stocks, bonds, or bank accounts)
- Loan
- Credit Card
- 401(k) Plan
- Life Insurance Policy

See page 6 for additional options

Contact us right away . . .



Call the number on the bill you received



Access our Web-page on the internet: www.irs.gov



Write to us at the address on your bill

Call the toll-free number if you require further assistance (1-800-829-1040).

You should understand the possible immediate and long-term effects of not paying your taxes when they are due or defaulting on an installment agreement. It can adversely affect your credit rating.

Avoid having overdue taxes next year

- If you owe taxes because you did not have enough money withheld from your income, you should claim a lower number of allowances on your Form W-4 or Form W-4P. See Publication 919, *How Do I Adjust My Tax Withholding?*
- Take advantage of the Electronic Federal Tax Payment System. (See Publication 966, *Electronic Choices to Pay All Your Federal Taxes*, check our website at www.eftps.com, or call 1-800-555-4477.)
- If you owe tax, you should increase your estimated tax payments. See Publication 505, *Tax Withholding and Estimated Tax*.
- If you are an employer, see Publication 15, *Circular E, Employer's Tax Guide*.

What if you believe your bill is wrong?

If you believe your bill is wrong, let us know as soon as possible.

- write to the IRS office that sent you the bill,
- call the IRS office that sent you the bill, or
- visit your local IRS office.

To help us correct the problem, gather a copy of the bill along with copies of any records, tax returns, and canceled checks, etc., that will help us understand why you believe your bill is wrong.

If you write to us, tell us why you believe your bill is wrong. With your letter, include copies of all the documents you gathered to explain your case. Please do not send original documents. If we find you are correct, we will adjust your account and, if necessary, send you a corrected bill.

Important information you should know

You have the right to be treated professionally, fairly, promptly, and courteously by IRS employees and Private Collection Agencies (PCAs) contacting you on behalf of the IRS. Among other rights, you have the right to

- disagree with your tax bill,
- meet with an IRS manager if you disagree with the IRS employee who handles your tax case,
- appeal most IRS collection actions,
- have your case transferred to a different IRS office if you have a valid reason (such as if you move),
- be represented by someone when dealing with IRS matters, and
- receive a receipt for any payment you make.

For details about your rights, see Publication 1, *Your Rights as a Taxpayer*. You received a copy of it with your first bill.

Important information you should know

If you want someone to represent you

When dealing with the Internal Revenue Service (IRS), you may choose to represent yourself, or you may have an attorney, a certified public accountant, an enrolled agent, or any person enrolled to practice before the IRS represent you. For example, you may want your representative to respond to a tax bill that you believe is incorrect. Also, you can be represented by a member of your immediate family, or in the case of a business, by regular full-time employees, general partners or bona fide officers.

If you want your representative to appear without you, and to receive or inspect confidential material, you must file a Form 2848, *Power of Attorney and Declaration of Representative*, with the IRS. You may also authorize an individual to receive or inspect confidential material, but not represent you before the IRS, by filing a Form 8821, *Tax Information Authorization*.

Other items to note

● The IRS can share your tax information

By law, the IRS can share your tax information with city and state tax agencies, and in some cases with the Department of Justice, other federal agencies, and people you authorize. We can also share it with certain foreign governments under tax treaty provisions.

● We may contact a third party

The law allows us to contact someone else, such as neighbors, banks, employers, or employees, to investigate your case. You have the right to request a list of third parties contacted with respect to your case.

● Low Income Taxpayer Clinics (LITCs)

LITCs are independent organizations that provide low income taxpayers with representation in federal tax controversies with the IRS for free or for a nominal charge. The clinics also provide tax education and outreach for taxpayers with limited English proficiency or who speak English as a second language. Publication 4134, *Low Income Taxpayer Clinic List*, provides information on clinics in your area. It is available at www.irs.gov, your local IRS office, or by calling 1-800-TAX-FORM (1-800-829-3676).

● If you are involved in bankruptcy proceedings

Call the number on your tax bill or 1-800-829-1040 if you cannot find the bill, or contact your local IRS office. While the proceeding may not eliminate your tax debt, it may temporarily stop the IRS from collecting.

● Help for an innocent spouse

Generally, both you and your spouse are responsible, jointly and individually, for paying any tax, interest, or penalties due on your joint return. In some cases, a spouse (or former spouse) may be relieved of liability on a joint return. For more information, see Publication 971, *Innocent Spouse Relief*. If you believe you should not be held responsible for any joint liability, you must file a claim for relief on Form 8857, *Request for Innocent Spouse Relief*. You must file Form 8857 within 2 years after the first date the IRS attempted to collect the tax following July 22, 1998. Collection activity that starts the two-year period includes:

- A refund offset notice dated March 7, 2005 or later. (A refund offset notice advises you that the IRS applied your income tax refund to an amount you owed on a joint tax return.)
- A claim for the joint liability filed in a proceeding which involves your property, for example, a proof of claim in a bankruptcy proceeding.
- The filing of a suit by the United States against you to collect the joint liability.
- The issuance of a notice informing you of the IRS' intent to levy and your right to a Collection Due Process (CDP) hearing with respect to a joint liability.

● Appeal process

If you disagree with the decision of an IRS employee at any time during the collection process, you may ask that employee's manager to review your case.

When you ask for a review, the employee will refer you to a manager. The manager will either speak with you then or will return your call by the next work day.

If you disagree with the manager's decision, you have the right to file an appeal under the Collection Appeals Program. This program enables you to appeal most collection actions we may take, including filing a lien, placing a levy on your wages or bank account, or seizing your property. You also will have an opportunity to request a CDP hearing with the IRS Office of

Appeals after the initial filing of a *Notice of Federal Tax Lien* for each liability. You also will have an opportunity to request a CDP hearing prior to the initial levy action, unless collection of the tax is in jeopardy or the levy is on your state tax refund. In these two cases, you may ask for a CDP hearing after the levy. See Publication 1660, *Collection Appeal Rights*, for more information.

● Time period for collecting taxes

By law, the IRS has the authority to collect outstanding Federal taxes for 10 years from the date your tax liability was assessed. The 10 year collection period is suspended:

- while the IRS and the Office of Appeals consider a request for an installment agreement or an offer in compromise.
- from the date you request a CDP hearing until Appeals issues a CDP *Notice of Determination* or, if you seek review in the Tax Court, until the Tax Court's decision becomes final, including appeals to a United States Court of Appeals.
- from the date you request innocent spouse relief until a final *Notice of Determination* is issued or, if you seek review in the Tax Court, the date the Tax Court decision becomes final and for 60 days thereafter. If, however, you appeal the Tax Court's decision regarding your right to innocent spouse relief to a United States Court of Appeals, the collection period will begin to run 60 days after the filing of the appeal unless a bond is posted with the appeal.
- for tax periods included in a bankruptcy while the automatic stay is in effect, plus an additional six months.
- while you are residing outside the United States, if you are absent for a continuous period of at least six months.

The amount of time the suspension is in effect will be added to the time remaining in the 10-year period. For example, if the 10-year period is suspended for six months, the time left in the period we have to collect will increase by six months.

There is a special program to help you with tax problems that cannot be resolved through normal IRS channels

The Taxpayer Advocate Service is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should. You may be eligible for assistance if you:

- are experiencing economic harm or significant costs (including fees for professional representation),
- have experienced a delay of more than 30 days to resolve your tax issue, or
- have not received a response or resolution to the problem by the date promised by the IRS.

The service is free, confidential, tailored to meet your needs, and available for businesses as well as individuals. There is at least one local taxpayer advocate in each state, the District of Columbia, and Puerto Rico. Because advocates are part of the IRS, they know the tax system and how to navigate it. If you qualify, you will receive personalized service from a knowledgeable advocate who will:

- listen to your problem,
- help you understand what needs to be done to resolve it, and
- stay with you every step of the way until your problem is resolved.

You may contact the Taxpayer Advocate Service by:

- calling their toll-free case intake line at 1-877-777-4778 or TTY/TTD 1-800-829-4059, or
- writing or calling your local taxpayer advocate, whose address and phone number are listed in the government listings in your local telephone directory and in Publication 1546, *The Taxpayer Advocate Service of the IRS - How to Get Help With Unresolved Tax Problems*,
- filing Form 911, *Application for Taxpayer Assistance Order*, with the Taxpayer Advocate Service, or
- asking an IRS employee to complete Form 911 on your behalf.

To get a copy of Form 911 or learn more about the Taxpayer Advocate Service, go to www.irs.gov/advocate.

If you cannot pay all your taxes immediately, pay as much as you can now because by paying now, you will reduce the amount of interest and penalty you will owe. Then immediately call, write, or visit the nearest IRS office to explain your situation.

After you explain your situation, we may ask you to complete a Collection Information Statement and provide documentation to substantiate your information. Collection Information Statements (Form 433-F, *Collection Information Statement (ACS)*, Form 433-A, *Collection Information Statement for Wage Earners and Self-Employed Individuals*, and Form 433-B, *Collection Information Statement for Businesses*) help us compare your monthly income with your monthly expenses to determine the amount you can pay. Based on your situation, we may work with you to consider several different ways to pay:

- You may be able to make monthly payments through an installment agreement. We can set up a direct debit from your financial institution or a payroll deduction from your wages or salary. (See page 6.)
- You may qualify for a temporary delay if your case is considered a hardship. (See page 6.)
- In some cases, you may qualify for an Offer in Compromise. (See page 6.)

Request an Installment Agreement

Installment agreements allow the payment of your debt in smaller, more manageable amounts. Installment agreements generally require equal monthly payments that will result in full payment of the tax you owe within the time left in the 10-year period during which the IRS can collect the tax from you. If you cannot pay your tax in full by the end of the collection period, but can pay some of the tax you owe, you may qualify for a partial payment installment agreement. Go to www.irs.gov for more information about partial payment installment agreements.

For all installment agreements, the amount of your installment payment will be based on the amount you owe and your ability to pay that amount within the time left in the 10-year period. To be eligible for an installment agreement, you must file all required returns. If you are an employer, you must be current with federal tax deposits.

If you owe less than \$25,000, you may be eligible to use our Online Payment Agreement web application. To access the application, go to www.irs.gov. Use the pull-down menu under "I need to..." and select "Set Up a Payment

What to do when you owe taxes

Options to Pay Your Taxes

When you file your tax return, we check to see if the math is accurate and if you have paid the correct amount. If you have not paid all you owe, we send a bill called a *Notice of Tax Due and Demand for Payment*. The bill includes the taxes plus interest and penalties. It is in your best interest to pay your tax liability in full to minimize the amount of interest and penalty charged. You may pay your taxes by credit card, electronic funds transfer, check, money order, or cash. Take advantage of the Electronic Federal Tax Payment System (EFTPS) to pay by electronic funds transfer. See Publication 966, *Electronic Choices to Pay All Your Federal Taxes*, access the website at www.eftps.com, or call 1-800-555-4477.

Credit card options are available through two service providers. The credit card payment service

providers will charge a fee for this service. Fees are based on the amount of the payment and may vary by service provider. Taxpayers may initiate a credit card payment by contacting:

- Link2Gov Corporation at 1-888-PAY1040 (1-888-729-1040) or online at www.pay1040.com, or
- Official Payments Corporation at 1-800-2PAYTAX (1-800-272-9829) or online at www.officialpayments.com.

It may be to your advantage to pay by borrowing. The interest rate your credit card issuer or bank charges may be lower than the combination of interest and penalties imposed by the Internal Revenue Code. For further information on interest and penalty rates, see Notice 746, *Information About Your Notice, Penalty, and Interest*.

What If You Cannot Fully Pay Your Taxes?

Plan.” (The direct link to the Online Payment Agreement is <http://www.irs.gov/individuals/article/0,,id=149373,00.html>)

You may also request an installment agreement using Form 9465, *Installment Agreement Request*, or Form 2159, *Payroll Deduction Agreement*, by calling the number on your bill, or 1-800-829-1040 if you cannot find your bill or by visiting your local IRS office. If you choose to complete one of these forms to apply for an installment agreement, you should mail the completed form to the address listed on your bill.

When you arrange for an installment agreement, it may be to your advantage to pay by electronic funds withdrawal from your financial institution (Line 13 of Form 9465) or payroll deduction from your wages (Form 2159). These two types of payment arrangements will help you avoid termination of your installment agreement by ensuring timely payments and preventing enforced collection action. These types of agreements will also reduce the burden of having to mail the payments and will save you postage.

A user fee will be charged to set up your installment agreement. The fee is \$52 for direct debit installment agreements, where payments are deducted directly from your financial institution, and \$105 for other agreements. Taxpayers with income at or below established levels, based on the Department of Health and Human Services Poverty Guidelines, may apply and be qualified to pay a reduced user fee of \$43 for establishing new agreements, including direct debit installment agreements.

We generally cannot levy against your property:

- while your request for an installment agreement is being considered,
- while your agreement is in effect,
- for 30 days after your request for an agreement has been rejected,
- for 30 days after our termination of an installment agreement (due to your default of the agreement), or
- while your appeal of the rejection or termination is being evaluated by the IRS Office of Appeals.

However, a *Notice of Federal Tax Lien* may be filed to secure the Government's interest against other creditors. (See page 7.)

If you already have an approved installment agreement from a previous tax debt and your financial situation has changed, we may be able to

modify your monthly amount. A reinstatement fee of \$45 will be charged, regardless of income level, if we change the monthly amount at your request. You may have to complete a *Collection Information Statement* explaining your financial situation.

If you have requested an installment agreement, and a decision to grant this agreement is pending, it is recommended that you make voluntary payments while approval is pending. Acceptance of these interim payments by the IRS should **not** be construed as acceptance of the proposed installment agreement. You will be notified in writing regarding the acceptance or rejection of your request for an installment agreement. You may ask the IRS Office of Appeals to review our rejection of your installment agreement. See Publication 1660, *Collection Appeal Rights*, for more information.

Termination of your installment agreement may cause the filing of a *Notice of Federal Tax Lien* and/or an IRS levy action. You may ask the IRS Office of Appeals to review our termination of the installment agreement due to your default. See Publication 1660, *Collection Appeal Rights*, for more information. Either the filing of a lien or a levy can be very damaging to your credit worthiness and cause financial difficulties. If a defaulted agreement is reinstated, the reinstatement fee of \$45 will be charged, regardless of your income level.

Request a Temporary Delay in the Collection Process

If we determine that you cannot pay any of your tax debt, we may temporarily delay collection until your financial condition improves. You should know that if we do delay collecting from you, your debt will increase because penalties and interest are charged until you pay the full amount. During a temporary delay, we will again review your ability to pay. We may also file a *Notice of Federal Tax Lien* (see page 7) to protect the Government's interest in your assets.

Apply for an Offer in Compromise

The IRS may accept an Offer in Compromise (OIC) to settle unpaid tax accounts for less than the full amount of the balance due. This applies to all taxes, including any interest, penalties, or additional amounts arising under the Internal Revenue laws. The OIC program is an option for those taxpayers who are unable to pay their tax account in a lump sum or through an installment agreement and have exhausted their search for other payment arrangements.

The IRS may legally compromise a tax liability for one of the following reasons:

- **Doubt as to liability** - there is doubt as to whether or not the assessed tax is correct,
- **Doubt as to collectibility** - there is doubt that you could ever pay the full amount of the tax owed. In these cases, the total amount you owe must be greater than the sum of your assets and future income, or
- **Promote effective tax administration** - there is no doubt that the assessed tax is correct and no doubt that the amount owed could be collected, but you have an economic hardship or other special circumstances which may allow the IRS to accept less than the total balance due.

For offers received after July 16, 2006, there are three types of OIC payment terms that the IRS and the taxpayer may agree to:

- **Lump Sum Cash** - must be paid within 5 or fewer installments from notice of acceptance.
- **Short Term Periodic Payment** - must be paid within 24 months (2 years) from the date the IRS receives the OIC.
- **Deferred Periodic Payment** - must be paid within 25 months or longer, but within the time remaining on the 10-year period for collection.

An OIC submitted as a lump sum cash offer, must include the \$150 application fee and a nonrefundable payment of 20 percent of the offered amount, with the balance to be paid in no more than 5 installments from the notice of acceptance.

An OIC submitted as a periodic payment offer (short term or deferred) must include the \$150 application fee and a nonrefundable initial proposed periodic payment with the offer. The remaining proposed periodic payments must continue to be made while the offer is being evaluated.

Taxpayers with income at or below established levels, based on the Department of Health and Human Services Poverty Guidelines, are not required to submit the \$150 application fee, 20% of the amount of a lump sum cash offer, the first installment of a periodic payment offer, or subsequent installment payments for a periodic payment offer while that offer is being evaluated, as described above. Until further guidance is issued, you should use the worksheet to Form 656-A, *Income Certification for Offer in Compromise Application Fee*, to determine if you qualify as a low-income taxpayer who is not required to make these payments. The worksheet may be found in Form 656, *Offer in Compromise*.

You may submit an OIC by completing Form 656. If you are basing your offer on doubt as to collectibility or promotion of effective tax administration, you must also submit Form 433-A, *Collection Information Statement for Wage Earners and Self-Employed Individuals* or Form 433-B, *Collection Information Statement for Businesses*, with supporting documentation. There may be instances where both a Form 433-A and Form 433-B must be submitted. After acceptance of an offer, you must remain current with filing and paying requirements for five years or until the amount of the offer is paid in full, whichever is longer. You may ask the IRS Office of Appeals to review our rejection of your Offer in Compromise. See Publication 1660, *Collection Appeal Rights*, for more information.

For additional information about the OIC program, visit www.irs.gov or see Form 656, *Offer in Compromise*.

About IRS Actions During the Collection Process

Before we take any **enforced collection action** explained in this section, we will contact you to give you a chance to voluntarily pay what you owe. We will send you a *Notice of Tax Due and Demand for Payment*, a bill that tells you how much you owe in taxes. We may send you other bills asking for payment. If you have an income tax refund, we will offset the refund against your tax liability. If you do not pay your taxes in full and do not contact us to let us know why you cannot pay or why you disagree with our decision to take enforcement action, the law requires us to take action. We may:

- **File a Notice of Federal Tax Lien** against your property (make a legal claim to your property as security for the payment of your tax debt) (see the information below).
- **Serve a levy** on your property or salary (legally seize your property to satisfy a tax debt) (see page 8).
- **Serve a Summons** to secure information, records, or testimony (see page 10), or
- **Assess a trust fund recovery penalty** for the failure to pay withhold employment taxes or collected excise taxes (see page 11).

These **actions** are the methods we can use to enforce the *Notice of Tax Due and Demand for Payment*. On the following pages, we explain collection actions or information gathering tools, and the rules that govern them.

Offset

If you have overpaid your taxes for one tax period, but owe taxes for another, the law allows us to apply your refund to reduce the unpaid tax. If you are a non-liable spouse and we offset a federal income tax refund belonging to you and your liable spouse, you may request return of your share of the refund by filing Form 8379, *Injured Spouse Allocation*. See Publication 4183, *Injured Spouse Claims*, for more information.

Liens

Liens give us a legal claim to your property as security for payment of your tax debt. The federal tax lien arises when:

- we assess the liability,
- we send you a *Notice and Demand for Payment*, and
- you neglect or refuse to fully pay the debt within 10 days after we notify you about it.

We then may file a *Notice of Federal Tax Lien* in the public records. By filing a *Notice of Federal Tax Lien*, your creditors are publicly notified that we have a claim against all your property, including property you acquire after the lien was filed.

The lien attaches to all your property (such as your house or car) and to all your rights to property (such as the accounts receivable of your business).



Once a lien is filed, your credit rating may be harmed. A lien may affect your ability to get a loan, buy a house or a car, get a new credit card, or sign a lease.

Releasing a lien

Usually 10 years after a tax is assessed, a lien releases automatically if we have not filed it again or issued a *Certificate of Release of Federal Tax Lien*.

We will issue a *Certificate of Release of the Federal Tax Lien*:

- within 30 days after we determine that the tax due (including accrued interest and penalties and other additions) is satisfied by paying the debt and/or by having it adjusted, or
- within 30 days after we accept a bond that you submit, guaranteeing payment of the debt.

You must pay all fees that a state or other jurisdiction charges the IRS to file and release the lien. These fees will be added to the amount you owe. See Publication 1450, *Instructions on How*

to Request a Certificate of Release of Federal Tax Lien.

We will issue a *Certificate of Release of Federal Tax Lien* within 14 days after we determine that at the time the IRS filed the *Notice of Federal Tax Lien* the taxpayer had no outstanding tax liability due for the periods listed on the Notice, the assessment was invalid, or the time period for collecting the tax ended.

If we knowingly or negligently do not release a *Notice of Federal Tax Lien* when it should be released, you may be entitled to recover economic damages. Some limitations may apply. You must file an administrative claim with the IRS Technical Services Advisory Group assigned to your state, area or county where you live or in which the *Notice of Federal Tax Lien* was filed. Mail your written claim to the attention of the Advisory Group Manager at the address listed in Publication 4235, *Technical Services (Advisory) Group Addresses*. If the claim is denied, you may sue the Federal Government, but not IRS employees, for economic damages.

Payoff amount

The amount shown on the *Notice of Federal Tax Lien* is the unpaid balance on the date the Notice is created. The Notice will not be updated to show changes in the amount you owe that occur because of the accrued interest and additions to tax or because of your payments. However, at any time, you may request an updated lien payoff amount to show the remaining balance due by calling the toll-free customer service telephone number at 1-800-913-6050. An IRS employee will issue you a letter with the current amount that must be paid before we release the *Notice of Federal Tax Lien*.

Applying for a discharge of the tax lien from property

If you sell property subject to a tax lien, such as your home, or pay your tax liability equal to the value of the property secured by the tax lien, you may apply for a *Certificate of Discharge*. Each application for a *Certificate of Discharge* of a tax lien requests release of the lien against one piece of property. Note that when certain conditions exist, a third party may also request a *Certificate of Discharge*. For instructions regarding how to apply for a certificate of discharge, see Publication 783, *Instructions on How to Apply for a Certificate of Discharge of Property from Federal Tax Lien*.

If you are selling your primary residence, you may apply for a taxpayer relocation expense allowance. In general, this allowance will be granted if the IRS determines you are unable to

pay relocating expenses, but certain conditions and limitations apply. You may apply for the relocating expense allowance by submitting Form 12451, *Request for Relocation Expense Allowance*, to the IRS.

Making the tax lien secondary to another lien

In some cases, a creditor may refuse to extend credit to you unless their lien will be satisfied before the tax lien. Subordination is the process that can make a Federal tax lien secondary to another lien. For example, you may ask for a subordination of the tax lien to enhance the mortgage on your house. For more information, see Publication 784, *How to Prepare an Application for a Certificate of Subordination of Federal Tax Lien*.

Withdrawing a Notice of Federal Tax Lien

We will withdraw a *Notice of Federal Tax Lien* if the Notice was filed during a bankruptcy automatic stay period.

We may withdraw a *Notice of Federal Tax Lien* if we determine:

- the Notice was filed too soon or not according to IRS procedures,
- withdrawal will allow you to pay your taxes more quickly, or
- withdrawal would be in your best interest as determined by the National Taxpayer Advocate and the best interest of the Government.

We will give you a copy of the withdrawal, and if you send us a written request, we will send a copy to other institutions you name.

Appealing the filing of a Notice of Federal Tax Lien

We are required by law to give written notice of your right to a Collection Due Process (CDP) hearing not more than 5 business days after the first filing of a *Notice of Federal Tax Lien* for each tax liability. Normally, we will notify you by certified mail sent to your last known address, although we may give you this notice in person, or leave it at your home or your usual place of business. You may request a CDP hearing with the IRS Office of Appeals by sending a request for a hearing to the address shown on your notice. You must file your request by the date shown on your notice. Refer to Form 12153, *Request for a Collection Due Process or Equivalent Hearing*, for more information about filing a hearing request and for a list of issues you may wish to discuss at your CDP hearing.

At the conclusion of your CDP hearing, the

IRS Office of Appeals will issue a determination. Appeals may determine that the *Notice of Federal Tax Lien* should remain filed, or it may determine that the *Notice of Federal Tax Lien* should be withdrawn or the lien should be released, discharged or subordinated. You will have 30 days after the date of the determination, to seek review of the determination in the United States Tax Court. In addition, you may appeal under the Collection Appeals Program (CAP), the proposed filing of a *Notice of Federal Tax Lien* at the actual filing of a Notice if CDP rights are not available. You may also appeal, under CAP, our denial of your request for withdrawal of the *Notice of Federal Tax Lien* and our denial of your request for a *Certificate of Discharge* or a *Certificate of Subordination of Federal Tax Lien*. See Publication 1660, *Collection Appeal Rights*, for more information.

If a *Notice of Federal Tax Lien* is filed to collect your tax liabilities, call the number on the notice informing you that a lien has been filed, or 1-800-829-1040 if you cannot find the notice. The contact person listed on the notice or other representative will answer your questions and attempt to resolve your tax problem. You also may ask the representative's manager to review your case. If the matter is still unresolved, the manager can explain your rights to appeal to the IRS Office of Appeals.

Levies

A levy is a legal seizure of your property to satisfy a tax debt. Levies are different from liens. A lien is a claim used as security for the tax debt, while a levy actually **takes the property** to satisfy the tax debt.

If you do not pay your taxes (or make arrangements to settle your debt):

- we could seize and sell property that you hold (such as your car, boat, or house), or
- we could levy property that is yours but is held by someone else (such as your wages, retirement accounts, dividends, bank accounts, rental income, accounts receivables, the cash value of your life insurance, or commissions).

We usually levy only when the following three conditions have occurred:

- we assessed the tax and sent you a *Notice and Demand for Payment*,
- you neglected or refused to pay the tax, and
- we sent you a *Final Notice of Intent to Levy and Notice of Your Right to A Hearing* (levy notice) at least 30 days before the levy. We usually send this notice to your last known address

by certified mail, return receipt requested, but we may give this notice to you in person, or leave it at your home or your usual place of business. Please note: If we levy your state tax refund, we may send you a *Notice of Levy on Your State Tax Refund - Notice of Your Right to Hearing* after the levy.

Appealing a levy

You may request a CDP hearing with the Office of Appeals by sending a request for a CDP hearing to the address shown on your notice. You must file your request within 30 days of the date on your notice. Refer to Form 12153, *Request for a Collection Due Process or Equivalent Hearing*, for more information about filing a hearing request and for a list of issues you may wish to discuss at your CDP hearing.

At the conclusion of your hearing, the Office of Appeals will issue a determination. You will have 30 days after the date of the determination to seek review of the determination by the United States Tax Court. In addition, you may appeal a proposed or actual levy under the Collection Appeal Program if CDP rights are not available. See Publication 1660, *Collection Appeal Rights*, for more information.

If your property is levied or seized, call the number on the notice informing you that a levy or seizure has occurred, or 1-800-829-1040 if you cannot find the notice. The contact person listed on the notice or other representative will answer your questions and attempt to resolve your tax problem. You also may ask the representative's manager to review your case. If the matter is still unresolved, the manager can explain your rights to appeal to the IRS Office of Appeals.

Levying your wages, or your bank account

A levy on your wages, salary, commissions, or other payments for personal services does not need to be served each time you are paid. Once we serve a levy, the levy continues until your tax debt is paid in full or other arrangements are made to satisfy the debt, or the time period for collecting expires.

If we place a levy on your bank account, the levy attaches deposits that have cleared and funds that are available for withdrawal when the levy is received, up to the amount of the levy. The bank must wait until 21 days after a levy is received before sending the money. The holding period allows you time to resolve any dispute about account ownership. After 21 days, the bank must send the money, plus, if applicable, any interest earned on that amount.

Filing a wrongful levy claim

If your property has been levied to collect a tax for which you are not liable, you may be entitled to the return of the wrongfully levied property by filing a claim pursuant to Internal Revenue Code (IRC) section 6343(b). Instead of filing a claim with us, you may file a suit for wrongful levy pursuant to IRC section 7426. See Publication 4528, *Making an Administrative Wrongful Levy Claim under Internal Revenue Code (IRC) Section 6343(b)*, for more information.

For example, you may file an administrative wrongful levy claim for a return of your share of levied property if you are a non-liable spouse and we levy a state income tax refund or a bank account belonging to you and your liable spouse. However, if you are a resident of, or if the property is located in, a state with community property laws, different rules will apply that may limit or eliminate your claim. If you believe that you qualify, call the number on the notice that informs you that a levy has occurred, or call 1-800-829-1040 if you cannot find the notice.

Filing a claim for reimbursement when we made a mistake in levying your account

If you paid bank charges because of a mistake we made when we levied your account, you may be entitled to a reimbursement. To be reimbursed, you must file a claim with us within 1 year after your bank charged you the fee. Use Form 8546, *Claim for Reimbursement of Bank Charges Incurred Due to Erroneous Service Levy or Misplaced Payment Check*.

Levying your federal payments through the Federal Payment Levy Program

The following is a list of federal payments you may receive that we can levy under the Federal Payment Levy Program in order to pay your tax debt.

- Federal retirement annuity income from the Office of Personnel Management,
- Social Security benefits under Title II of the Social Security Act (OASDI),
- Federal contractor/vendor payments, or
- Federal employee salary and travel payments

This program electronically levies these federal payments from the Department of the Treasury, Financial Management Service. If we electronically levy your federal payments, the levy will take 15% (or the exact amount of taxes owed if less than 15%). For defense contractor payments, however, the levy will take 100% (or the exact amount of

taxes owed). The levy will be continuous until your tax debt is paid in full, other arrangements are made to satisfy the debt, or in most instances, the time period for collecting the tax expires.

If you are already working with an IRS employee, call that employee for assistance. If you are not working with an IRS employee and:

- you receive federal contractor/vendor payments, please call 1-800-829-3903 for assistance, or
- you receive any other federal payment, please call 1-800-829-7650 for assistance.

Releasing a levy

In general, we must release a levy if:

- you pay the tax, penalty, and interest you owe,
- we discover that the time period for collection ended before the levy was served,
- we levied before we sent you the two required pre-levy notices or before your time for responding to them has passed (10 days for the *Notice and Demand for Payment*, 30 days for the *Notice of Intent to Levy* and the *Notice of Right to Hearing*),
- the automatic stay during your bankruptcy is in effect,
- the levy is on property that we are not allowed to levy,
- we levy while the IRS is considering your offer in compromise or installment agreement request,
- we levy while the IRS Office of Appeals is considering your appeal of our rejection of your offer in compromise or installment agreement request,
- we levy while you have an accepted periodic payment offer in compromise or installment agreement in effect,
- we levy while the IRS Office of Appeals is considering your appeal of our termination of your installment agreement,
- we levy while the IRS Office of Appeals is conducting your timely requested CDP hearing under IRC 6330 or during the United States Tax Court review of the CDP determination (unless the Court has issued an order permitting the levy),
- we levy while we, or the IRS Office of Appeals considers your timely request for innocent spouse relief or during the timely requested review by the Tax Court.

We will release a levy if:

- we determine that the levy is creating an economic hardship for you,
- we determine the fair market value of the property exceeds the liability for which the levy was made, and release of the levy on part of the property can be made without hindering the collection of the liability, or
- we determine the expense of selling your property would be greater than the Government's interest in the property.

We may also release a levy if we determine that releasing the levy will help us collect the tax. In general, releasing a levy will help us collect the tax if:

- you pay the amount of the Government's interest in the property,
- you enter into an escrow arrangement,
- you furnish an acceptable bond,
- you enter into an installment agreement (unless the agreement says the levy does not have to be released), or you make some other acceptable agreement for paying the tax, or
- you agree to extend the 10-year period we have to collect your tax (but you must agree before the time period ends).

Returning levied property

If you request the return of levied property within nine months from the date of the levy, we may consider returning the property if:

- at the time the levy was served, there existed one of the conditions requiring us to release the levy,
- we did not follow proper procedures,
- we agree to let you pay in installments, but we still levy, and the agreement does not say that we can do so,
- returning the property will help you pay your taxes, or
- returning the property is in both your best interest (as determined by the National Taxpayer Advocate) and the Government's best interest.

If we decide to return your property but the property has already been sold, we will give you the amount of the money we received from the sale.

Selling your property

We will give a public notice of a pending sale, usually in local newspapers or by posting flyers in the local post office or other public places. We will deliver the original notice of sale to you or send it to you by certified mail to your last known address.

After giving public notice of the sale, we must wait at least ten days before conducting the sale, unless the property is perishable and must be sold immediately.

Before the sale, we will compute a **minimum bid price** and give you notice of our computation. This bid price is usually 80% or more of the forced sale value of the property, after subtracting the value of the property secured by liens senior to the tax lien.

If you disagree with this price, you may ask that the price be computed again by either the IRS or a private appraiser (at your expense).

You may also ask that we sell the seized property within 60 days after the levy. For information about how to do so, call the IRS employee who made the seizure at the number listed on the notice that informs you that the levy has occurred. We will grant your request, unless it is in the Government's best interest to hold the property for a later sale. We will send you a letter telling you of our decision on your request.

After the sale, we first use the proceeds to pay the expenses of the levy and sale. Then we use any remaining amount to pay the tax bill.

- **If the proceeds of the sale are less than the total of the tax bill and the expenses of levy and sale**, you will still have to pay the unpaid tax.
- **If the proceeds of the sale are more than the total of the tax bill and the expenses of the levy and sale**, we will notify you about the surplus money and will tell you how to ask for a refund. However, if someone, such as a mortgagee or other lien holder, makes a claim that is superior to yours, we will pay that claim before we refund any money to you.

Redeeming your real estate

You (or anyone with an interest in the property) may redeem your real estate within 180 days after the sale. You must pay the purchaser the amount paid for the property, plus interest at 20% annually.

Filing a claim for damages caused by unauthorized collection

If we intentionally, recklessly, or negligently disregard the Internal Revenue laws in connection with the collection of your taxes or, if you are not the taxpayer in connection with a wrongful

levy, you may be entitled to recover economic damages. Some limitations may apply. You must file an administrative claim with the IRS Technical Services Advisory Group assigned to your state, area or county. Mail your written claim to the attention of the Advisory Group Manager at the address listed in Publication 4235, *Technical Services (Advisory) Group Addresses*. If the claim is denied, you can sue the Federal Government, not IRS employees, to recover economic damages.

Summons

A summons is an investigatory tool, similar to a subpoena, that will compel you or a third party to provide information, documents or testimony that will enable us to determine or collect your tax liability.

Taxpayer Summons

We may serve a summons on you, as the person responsible for the tax liability, to:

- compel testimony,
- bring in books and records to prepare a tax return, or
- bring in documents and records to assist us in preparing a Form 433, *Collection Information Statement*.

Third-Party Summons

In some cases, a third-party summons is issued. Some examples of who could be issued a third-party summons include:

- financial institutions,
- third-party record keepers,
- persons who are not available to cooperate on an informal request, or
- any person with information that may be relevant to your case.

IRC section 7609 authorizes the Service to issue a third-party summons. If you are entitled to notice:

- you will be given notice, usually by mail, within 3 days after the the summons is served,
- you have the legal right to file a petition to quash the summons or to intervene in a suit to enforce a summons to which the third party failed to respond,
- you may file a petition to quash. If you choose to file one, you must do so within 20 days after notice is given (if notice was given by mail, the petition to quash must be filed within 20 days after notice of the summons was mailed), and
- the Service will not examine the summoned

Especially for employers

Employment taxes are:

- the amount you must withhold from your employees for both income and Social Security/Medicare tax, plus
- the amount of Social Security/Medicare tax you pay on behalf of each employee.



If you ignore the Federal tax deposit and filing requirements, the amount you owe can increase drastically.

If you do not pay your employment taxes on time, or you did not include the required payment with your return, we will charge you interest and penalties on any unpaid balance. We may charge you penalties of up to 15% of the amount not deposited, depending on how many days late you are.

If you do not pay withheld trust fund taxes, we may take additional collection action. We may require you to:

- file and pay your taxes monthly rather than quarterly, and/or
- open a special bank account for the withheld amounts.

See Form 8109, *Federal Tax Deposit Coupon* and Publication 15, *Circular E, Employer's Tax Guide*.

If we require you to create a separate bank account for the employment taxes and you fail to deposit your taxes in the account, you may be subject to criminal prosecution. We may charge you criminal penalties such as a fine up to \$100,000.00 and up to one year in jail upon conviction.

See Publication 535, *Business Expenses*, for information on how to deduct interest paid as a business deduction.

information or take summoned testimony until 23 days after the 10-day notice was given.

You are not, however, entitled to notice of a third-party summons we issue solely to aid in the collection of an assessed liability or judgment. If your liability is assessed and we issue a third-party summons as part of our effort to collect that assessed liability, you will not be given notice of that summons, nor will you be allowed to file a motion to quash or intervene in a suit to enforce the summons.

Summons about a Trust Fund Recovery Penalty

Summonses are frequently served to enable the Service to determine which individuals are responsible for a trust fund recovery penalty. Additional information on the trust fund recovery penalty is provided in this publication.

Enforcement of Summons

Failure or neglect to appear before the Service after a summons is issued may result in further legal actions against you. These actions may include an enforcement suit, a contempt hearing, and a contempt order.

If you are unable to appear before the Service on the appointed day and time listed on your summons, it is imperative that you contact the office/individual issuing the summons. The phone number and address will be on the summons.

Collection of Employment Taxes

To encourage prompt payment of withheld employment taxes and collected excise taxes, Congress passed a law that provides for the Trust Fund Recovery Penalty. (These taxes are called *Trust Fund taxes* because the employer actually holds the employee's withheld taxes or the collected excise taxes in trust until the employer makes a federal tax deposit in the amount of the withheld or collected taxes.)

If we plan to assess you for the trust fund recovery penalty, we will send you a letter stating that you are a *responsible person*. You have 10 days after we send our letter to tell us why you disagree and 60 days after we send our letter to appeal our proposed assessment to the IRS Office of Appeals. If you do not respond to our letter, we will assess the penalty against you and send you a *Notice and Demand for Payment*. We may assess this penalty against a responsible person whether or not the company is still in business.

A responsible person is an individual or group of people (there may be more than one responsible person) who had the duty to perform and the power to direct the collection and payment of trust fund taxes. A responsible person may be:

- an officer or an employee of a corporation
- a member or employee of a partnership,
- a corporate director or shareholder,
- a member of a board of directors of a nonprofit organization, or
- another person with authority and power to direct the disbursement of funds.

Assessing the Trust Fund Recovery Penalty

We may assess the penalty against anyone:

- who is responsible for collecting and paying withheld income and employment taxes, or for paying collected excise taxes, and

- who willfully fails to collect and pay them.

Willfulness exists if the responsible person:

- knew about the unpaid taxes, and
- used the withheld or collected funds to keep the business going, allowed available funds to be paid to other creditors other than the IRS, or otherwise failed to pay over the taxes to the IRS.

In addition to these civil penalties and remedies, there are possible criminal ones, as well.

Figuring the Penalty Amount

The amount of the penalty is equal to the unpaid balance of the trust fund taxes. The penalty is computed based on:

- the unpaid income taxes that should have been withheld, or were withheld but not paid over, plus
- the employee's portion of the Social Security/Medicare taxes that should have been withheld, or were withheld but not paid over.

For collected excise taxes, the penalty is based on the unpaid amount of collected excise taxes.



Once we assert the penalty, we may take collection action against your personal assets if you do not pay the penalty after being sent a *Notice of Tax Due and Demand for Payment*. For instance, we may file a *Notice of Federal Tax Lien* against you, if you are a responsible person.

Appealing the Decision

You have the right to appeal a proposed assessment of the Trust Fund Recovery Penalty. See Publication 5, *Your Appeal Rights and How to Prepare a Protest if You Don't Agree*.

Some property cannot be levied

By law, some property cannot be levied or seized. We may not levy any of your property unless we have determined that we expect there to be net proceeds to apply to the liability. In addition, we may not levy your property on the day you attend a collection interview in response to a summons.

Other items we may not levy include:

- School books and certain clothing,
- Fuel, provisions, furniture, and personal effects for a household totaling \$7,720.*
- Books and tools you use in your trade, business, or profession, totaling \$3,860.*
- Unemployment benefits,
- Undelivered mail,
- Certain annuity and pension benefits,
- Certain service-connected disability payments,
- Workers compensation,
- Salary, wages, or income included in a judgment for court-ordered child support payments,
- Certain public assistance payments, or
- A minimum weekly exemption for wages, salary, and other income.

Use Publication 1494, *Tables for Figuring Amount Exempt from Levy on Wages, Salary, and Other Income*—Forms 668-W(c) and 668-W(c)(DO), to determine the amount of earned income exempt from levy.

*These amounts are indexed annually for inflation. These amounts are for calendar year 2007.

Referral to a Private Collection Agency

To assist IRS in collecting unpaid taxes, the IRS has entered into contracts with Private Collection Agencies (PCAs). Your account may be assigned to a PCA for resolution. The PCA has been authorized by the IRS to assist you in making full payment of the amount you owe. If you are unable to pay the outstanding balance in full, the PCA may establish an installment agreement for you within IRS guidelines.

If your account is assigned to a PCA, the IRS will send you a letter with the PCA contact information. The PCA will also send you a letter. If you are contacted by one of these agencies, they will:

- assist you in resolving payment of your tax liability on behalf of the IRS;
- advise you of outstanding tax balances or unfiled tax returns; and
- provide you with assistance for resolution of these issues.

PCAs are not authorized to abate or adjust tax penalty, or interest owed, enter into offers in Compromise, or make other judgment decisions regarding your account. This includes the filing of federal tax liens, serving levies, or other actions described in this publication. However, the IRS still has the authority to take these types of actions to collect an overdue account.

Your privacy will be fully maintained. Confidentiality requirements and restrictions required by law will be strictly enforced. To protect your privacy, this means the PCA must verify your identity by asking for certain personal information before discussing your account. If unable to complete this verification, the PCA may refer your account to the IRS for further information or assistance, necessary to verify your identity.

Please refer to Publication 4518, *What You Can Expect When the IRS Assigns Your Account to a Private Collection Agency*, for more information. If you do not wish to work with your assigned PCA to settle your overdue account, you must submit your request to that effect in writing to the PCA.

We offer you a number of free publications and forms

The IRS forms, notices, and publications mentioned in this document give you more information about the various situations discussed. For copies of these documents, call us at 1-800-TAX FORM (1-800-829-3676), write to us, visit the IRS office, or visit our website at www.irs.gov. Additionally, your local library may have some of these publications and forms available.

Installment Agreement Request

▶ If you are filing this form with your tax return, attach it to the front of the return. Otherwise, see instructions.

Caution: Do not file this form if you are currently making payments on an installment agreement or can pay your balance due in full within 120 days. Instead, call 1-800-829-1040. If you are in bankruptcy or we have accepted your offer-in-compromise, see **Bankruptcy or offer-in-compromise** on page 2.

This request is for Form(s) (for example, Form 1040) ▶ and for tax year(s) (for example, 2008 and 2009) ▶

1 Your first name and initial	Last name	Your social security number
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
Current address (number and street). If you have a P.O. box and no home delivery, enter your box number.		Apt. number
City, town or post office, state, and ZIP code. If a foreign address, enter city, province or state, and country. Follow the country's practice for entering the postal code.		

2 If this address is new since you filed your last tax return, check here

3 Your home phone number Best time for us to call	4 Your work phone number Ext. Best time for us to call
5 Name of your bank or other financial institution: Address City, state, and ZIP code	6 Your employer's name: Address City, state, and ZIP code

7 Enter the total amount you owe as shown on your tax return(s) (or notice(s))	7	
8 Enter the amount of any payment you are making with your tax return(s) (or notice(s)). See instructions	8	
9 Enter the amount you can pay each month. Make your payments as large as possible to limit interest and penalty charges. The charges will continue until you pay in full	9	

10 Enter the day you want to make your payment each month. **Do not** enter a day later than the 28th ▶

11 If you want to make your payments by electronic funds withdrawal from your checking account, see the instructions and fill in lines 11a and 11b. This is the most convenient way to make your payments and it will ensure that they are made on time.

▶ **a** Routing number

▶ **b** Account number

I authorize the U.S. Treasury and its designated Financial Agent to initiate a monthly ACH electronic funds withdrawal entry to the financial institution account indicated for payments of my federal taxes owed, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke payment, I must contact the U.S. Treasury Financial Agent at **1-800-829-1040** no later than 10 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payments of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payments.

Your signature	Date	Spouse's signature. If a joint return, both must sign.	Date
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General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use Form 9465 to request a monthly installment plan if you cannot pay the full amount you owe shown on your tax return (or on a notice we sent you). Generally, you can have up to 60 months to pay. In certain circumstances, you can have longer to pay or your agreement can be approved for an amount that is less than the amount of tax you owe. However, before requesting an installment agreement, you should consider other less costly alternatives, such as getting a bank loan or using available credit on a credit card. If you have any questions about this request, call 1-800-829-1040.

- Do not use Form 9465 if:
- You can pay the full amount you owe within 120 days (see page 2), or

- You want to request an online payment agreement. See *Applying online for a payment agreement* on page 2.
- **Guaranteed installment agreement.** Your request for an installment agreement cannot be turned down if the tax you owe is not more than \$10,000 and all three of the following apply.
 - During the past 5 tax years, you (and your spouse if filing a joint return) have timely filed all income tax returns and paid any income tax due, and have not entered into an installment agreement for payment of income tax.
 - The IRS determines that you cannot pay the tax owed in full when it is due and you give the IRS any information needed to make that determination.
 - You agree to pay the full amount you owe within 3 years and to comply with the tax laws while the agreement is in effect.





A Notice of Federal Tax Lien may be filed to protect the government's interests until you pay in full.

Can you pay in full within 120 days? If you can pay the full amount you owe within 120 days, call 1-800-829-1040 to establish your request to pay in full. If you can do this, you can avoid paying the fee to set up an installment agreement. Instead of calling, you can apply online.

Applying online for a payment agreement. Instead of filling Form 9465, you can apply online for a payment agreement. To do that, go to www.irs.gov, use the pull-down menu under "I need to . . ." and select "Set Up a Payment Plan."

Bankruptcy or offer-in-compromise. If you are in bankruptcy or we have accepted your offer-in-compromise, do not file this form. Instead, call 1-800-829-1040 to get the number of your local IRS Insolvency function for bankruptcy or Technical Support function for offer-in-compromise.

How the Installment Agreement Works

We will usually let you know within 30 days after we receive your request whether it is approved or denied. However, if this request is for tax due on a return you filed after March 31, it may take us longer than 30 days to reply. If we approve your request, we will send you a notice detailing the terms of your agreement and requesting a fee of \$105 (\$52 if you make your payments by electronic funds withdrawal). However, you may qualify to pay a reduced fee of \$43 if your income is below a certain level. The IRS will let you know whether you qualify for the reduced fee. If the IRS does not say you qualify for the reduced fee, you can request the reduced fee using Form 13844, Application For Reduced User Fee For Installment Agreements.

You will also be charged interest and may be charged a late payment penalty on any tax not paid by its due date, even if your request to pay in installments is granted. Interest and any applicable penalties will be charged until the balance is paid in full. To limit interest and penalty charges, file your return on time and pay as much of the tax as possible with your return (or notice). All payments received will be applied to your account in the best interests of the United States.

By approving your request, we agree to let you pay the tax you owe in monthly installments instead of immediately paying the amount in full. In return, you agree to make your monthly payments on time. You also agree to meet all your future tax liabilities. This means that you must have enough withholding or estimated tax payments so that your tax liability for future years is paid in full when you timely file your return. Your request for an installment agreement will be denied if all required tax returns have not been filed. Any refund due you in a future year will be applied against the amount you owe. If your refund is applied to your balance, you are still required to make your regular monthly installment payment.

Payment methods. You can make your payments by check, money order, credit card, or one of the other payment methods shown next. The fee for each payment method is also shown.

Payment method	Applicable fee
Check, money order, or credit card	\$105
Electronic funds withdrawal	\$ 52
Payroll deduction installment agreement	\$105

For details on how to pay, see your tax return instructions, visit www.irs.gov, or call 1-800-829-1040.

After we receive each payment, we will send you a notice showing the remaining amount you owe, and the due date and amount of your next payment. But if you choose to have your payments automatically withdrawn from your checking account, you will not receive a notice. Your bank statement is

your record of payment. We will also send you an annual statement showing the amount you owed at the beginning of the year, all payments made during the year, and the amount you owe at the end of the year.

If you do not make your payments on time or do not pay any balance due on a return you file later, you will be in default on your agreement and we may take enforcement actions, such as the filing of a Notice of Federal Tax Lien or an IRS levy action, to collect the entire amount you owe. To ensure that your payments are made timely, you should consider making them by electronic funds withdrawal (see the instructions for lines 11a and 11b on page 3).

Requests to modify or terminate an installment agreement. After an installment agreement is approved, you may submit a request to modify or terminate an installment agreement. This request will not suspend the statute of limitations on collection. While the IRS considers your request to modify or terminate the installment agreement, you must comply with the existing agreement.



An installment agreement may be terminated if you provide materially incomplete or inaccurate information in response to an IRS request for a financial update.

For additional information on the IRS collection process, see Pub. 594, The IRS Collection Process.

Where To File

Attach Form 9465 to the front of your return and send it to the address shown in your tax return booklet. If you have already filed your return or you are filing this form in response to a notice, file Form 9465 by itself with the Internal Revenue Service Center at the address below that applies to you. No street address is needed.

IF you live in . . .	THEN use this address . . .
Florida, Georgia, North Carolina, South Carolina	Department of the Treasury Internal Revenue Service Center Atlanta, GA 39901
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas	Department of the Treasury Internal Revenue Service Center Austin, TX 73301
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	Department of the Treasury Internal Revenue Service Center Fresno, CA 93888
Arkansas, Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia	Department of the Treasury Internal Revenue Service Center Kansas City, MO 64999
A foreign country, American Samoa, or Puerto Rico (or are excluding income under Internal Revenue Code section 933), or use an APO or FPO address, or file Form 2555, 2555-EZ, or 4563, or are a dual-status alien or nonpermanent resident of Guam or the Virgin Islands*	Department of the Treasury Internal Revenue Service Center Austin, TX 73301

* Permanent residents of Guam or the Virgin Islands cannot use Form 9465.

Specific Instructions

Line 1

If you are making this request for a joint tax return, show the names and social security numbers (SSNs) in the same order as on your tax return.

Line 7

Enter the total amount you owe as shown on your tax return (or notice).



If the total amount you owe is more than \$25,000 (including any amounts you owe from prior years), complete and attach Form 433-F, Collection Information Statement. You can get Form 433-F by visiting the IRS website at www.irs.gov.

Line 8

Even if you cannot pay the full amount you owe now, you should pay as much as possible to limit penalty and interest charges. If you are filing this form with your tax return, make the payment with your return. For details on how to pay, see your tax return instructions.

If you are filing this form by itself, such as in response to a notice, attach a check or money order payable to the "United States Treasury." Do not send cash. Be sure to include:

- Your name, address, SSN, and daytime phone number.
- The tax year and tax return (for example, "2009 Form 1040") for which you are making this request.

Line 9

You should try to make your payments large enough so that your balance due will be paid off as quickly as possible without causing you a financial burden.

Line 10

You can choose the day of each month your payment is due. This can be on or after the 1st of the month, but no later than the 28th of the month. For example, if your rent or mortgage payment is due on the 1st of the month, you may want to make your installment payments on the 15th. When we approve your request, we will tell you the month and day that your first payment is due.

If we have not replied by the date you chose for your first payment, you can send the first payment to the Internal Revenue Service Center at the address shown on page 2 that applies to you. See the instructions for line 8 above for details on what to write on your payment.

Lines 11a and 11b



Making your payments by electronic funds withdrawal will help ensure that your payments are made timely and that you are not in default of this agreement.

To pay by electronic funds withdrawal from your checking account at a bank or other financial institution (such as mutual fund, brokerage firm, or credit union), fill in lines 11a and 11b. Check with your financial institution to make sure that an electronic funds withdrawal is allowed and to get the correct routing and account numbers.

Note. We will send you a bill for the first payment and the fee. You must send us your first payment. All other payments will be electronically withdrawn.

Line 11a. The routing number must be nine digits. The first two digits of the routing number must be 01 through 12 or 21 through 32. Use a check to verify the routing number. On the sample check on this page, the routing number is 250250025. But if your check is payable through a financial institution

different from the one at which you have your checking account, do not use the routing number on that check. Instead, contact your financial institution for the correct routing number.

Line 11b. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank. On the sample check below, the account number is 20202086. Do not include the check number.



The electronic funds withdrawal from your checking account will not be approved unless you (and your spouse if filing a joint return) sign Form 9465.

Sample Check – Lines 11a and 11b

DWAIN MAPLE
ROBYN MAPLE
123 Pear Lane
Anyplace, VA 20000

PAY TO THE ORDER OF: _____

Routing number (line 11a): 250250025

Account number (line 11b): 20202086

\$ _____ DOLLARS

For: _____

1234

Do not include the check number.



The routing and account numbers may be in different places on your check.

Privacy Act and Paperwork Reduction Act Notice. Our legal right to ask for the information on this form is sections 6001, 6011, 6012(a), 6109, and 6159 and their regulations. We will use the information to process your request for an installment agreement. The reason we need your name and social security number is to secure proper identification. We require this information to gain access to the tax information in our files and properly respond to your request. You are not required to request an installment agreement. If you do request an installment agreement, you are required to provide the information requested on this form. Failure to provide this information may prevent processing your request; providing false information may subject you to fines or penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103. However, we may give this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Offer in Compromise

Attach Application Fee and Payment (check or money order) here.

IRS RECEIVED DATE

Section I Taxpayer Contact Information

Taxpayer's First Name and Middle Initial		Last Name	
If a joint offer, spouse's First Name and Middle Initial		Last Name	
Business Name			
Taxpayer's Address (Home and Business) (number, street, and room or suite no., city, state, ZIP code)			
Mailing Address (if different from above) (number, street, and room or suite no., city, state, ZIP code)			

DATE RETURNED

Social Security Number (SSN) (Primary)	(Secondary)	Employer Identification Number (EIN) (EIN included in offer)	(EIN not included in offer)
- -	- -	-	-

Section II To: Commissioner of Internal Revenue Service

I/We (includes all types of taxpayers) submit this offer to compromise the tax liabilities plus any interest, penalties, additions to tax, and additional amounts required by law (tax liability) for the tax type and period marked below: (Please mark an "X" in the box for the correct description and fill-in the correct tax period(s), adding additional periods if needed).

- 1040/1120 Income Tax - Year(s) _____
- 941 Employer's Quarterly Federal Tax Return - Quarterly period(s) _____
- 940 Employer's Annual Federal Unemployment (FUTA) Tax Return — Year(s) _____
- Trust Fund Recovery Penalty as a responsible person of (enter corporation name) _____, for failure to pay withholding and Federal Insurance Contributions Act taxes (Social Security taxes), for period(s) ending _____
- Other Federal Tax(es) [specify type(s) and period(s)] _____

Note: If you need more space, use a separate sheet of paper and title it "Attachment to Form 656 Dated _____." Sign and date the attachment following the listing of the tax periods.

Section III Reason for Offer in Compromise

I/We submit this offer for the reason(s) checked below:

- Doubt as to Collectibility — "I have insufficient assets and income to pay the full amount." You must include a complete Collection Information Statement, Form 433-A and/or Form 433-B.
- Effective Tax Administration — "I owe this amount and have sufficient assets to pay the full amount, but due to my exceptional circumstances, requiring full payment would cause an economic hardship or would be unfair and inequitable." You must include a complete Collection Information Statement, Form 433-A and/or Form 433-B and complete Section VI.

Section IV Offer in Compromise Terms

I/We offer to pay \$ _____ (must be more than zero). Complete Section VII to explain where you will obtain the funds to make this offer.

Check **only** one of the following:

- Lump sum cash offer** — 20% of the amount of the offer \$ _____ must be sent with Form 656. Upon written acceptance of the offer, the balance must be paid in 5 or fewer installments.

\$ _____ payable within _____ months after acceptance
 \$ _____ payable within _____ months after acceptance

- Short Term Periodic Payment Offer** - Offer amount is paid within 24 months from the date IRS received your offer. The first payment **must** be submitted with your Form 656. You **must** make regular payments during your offer investigation. Complete the following:

\$ _____ will be submitted with the Form 656. Beginning in the month after the offer is submitted (insert month _____), on the _____ day of each month, \$ _____ will be sent in for a total of _____ months. (Cannot extend more than 24 months from the date the offer was submitted.)



Section IV Cont.

Deferred Periodic Payment Offer – Offer amount will be paid over the remaining life of the collection statute. The first payment **must** be submitted with your Form 656. You must make regular payments during your offer investigation. Complete the following:

\$ _____ will be submitted with the Form 656. Beginning in the month after the offer is submitted (*insert month* _____), on the _____ day of each month, \$ _____ will be sent in for a total of _____ months.

Optional - Designation of Required Payment under IRC 7122(c)

You have the option to designate the required payment you made under Section IV above. If you choose not to designate your required payment, then the IRS will apply your payment in the best interest of the government. If the required payment is not paid, the offer will be returned even if you make a payment you designated as a deposit. Please complete the following if you choose to designate your payment:

\$ _____ paid under IRC 7122 (c) is to be applied to my _____ Tax Year/Quarter(s) (*whichever is applicable*) for my/our tax form _____.

If you pay more than the required payment when you submit your offer and want any part of that additional payment treated as a deposit, check the box below and insert the amount. It is not required that you designate any portion of your payment as a deposit.

I am making a deposit of \$ _____ with this offer.

Section V By submitting this offer, I/we have read, understand and agree to the following conditions:

(a) I/We voluntarily submit all tax payments made on this offer, including the mandatory payments of tax required under section 7122(c). These tax payments are not refundable even if I/we withdraw the offer prior to acceptance or the IRS returns or rejects the offer. If the offer is accepted, the IRS will apply payments made after acceptance in the best interest of the government.

(b) Any payments made in connection with this offer will be applied to the tax liability unless I have specified that they be treated as a deposit. Only amounts that exceed the mandatory payments can be treated as a deposit. Such a deposit will be refundable if the offer is rejected or returned by the IRS or is withdrawn. I/we understand that the IRS will not pay interest on any deposit.

(c) The application fee for this offer will be kept by the IRS unless the offer was not accepted for processing.

(d) I/We will comply with all provisions of the Internal Revenue Code relating to filing my/our returns and paying my/our required taxes for 5 years or until the offered amount is paid in full, whichever is longer. In the case of a jointly submitted Offer in Compromise of joint liabilities, I/we understand that default with respect to the compliance provisions described in this paragraph by one party to this agreement will not result in the default of the entire agreement. The default provisions described in Section V(i) of this agreement will be applied only to the party failing to comply with the requirements of this paragraph.

(e) I/We waive and agree to the suspension of any statutory periods of limitation (time limits provided by law) for the IRS assessment of the liability for the periods identified in Section II. I/We understand that I/we have the right not to waive these statutory periods or to limit the waiver to a certain length or to certain periods. I/we understand, however, that the IRS may not consider this offer if I/we refuse to waive the statutory periods for assessment or if we provide only a limited waiver. The amount of any Federal tax due for the periods described in Section II may be assessed at any time prior to the acceptance of this offer or within one year of the rejection of this offer. I/We understand that the statute of limitations for collection will be suspended during the period an offer is considered pending by the IRS (paragraph (k) of this section defines pending).

(f) The IRS will keep all payments and credits made, received or applied to the total original liability before submission of this offer and all payments required under section 7122(c). The IRS will also keep all payments in excess of those required by section 7122(c) that are received in connection with the offer and that are not designated as deposits in Section IV. The IRS may keep any proceeds from a levy served prior to submission of the offer, but not received at the time the offer is submitted. As additional consideration beyond the amount of my/our offer, the IRS will keep any refund, including interest, due to me/us because of overpayment of any tax or other liability, for tax periods extending through the calendar year in which the IRS accepts the offer. The date of acceptance is the date on the written notice of acceptance issued by the IRS to me/us or to my/our representative. I/We may not designate an overpayment ordinarily subject to refund, to which the IRS is entitled, to be applied to estimated tax payments for the following year.

(g) I/We will return to the IRS any refund identified in paragraph (f) received after submission of this offer.

(h) The IRS cannot collect more than the full amount of the liability under this offer.

(i) I/We understand that I/we remain responsible for the full amount of the liabilities, unless and until the IRS accepts the offer in writing and I/we have met all the terms and conditions of the offer. The IRS will not remove the original amount of the liabilities from its records until I/we have met all the terms and conditions of the offer. I/we understand that the liabilities I/we offer to compromise are and will remain liabilities until I/we meet all the terms and conditions of this offer. If I/we file for bankruptcy before the terms and conditions of this offer are completed, any claim the IRS files in the bankruptcy proceedings will be a tax claim.

(j) Once the IRS accepts the offer in writing, I/we have no right to contest, in court or otherwise, the amount of the liability.

(k) The offer is pending starting with the date an authorized IRS official signs the form. The offer remains pending until an authorized IRS official accepts, rejects, returns or acknowledges withdrawal of the offer in writing. If I/we appeal an IRS rejection decision on the offer, the IRS will continue to treat the offer as pending until the Appeals Office accepts or rejects the offer in writing.

Section VIII Mandatory Signatures

Taxpayer Attestation	If I / we submit this offer on a substitute form, I/ we affirm that this form is a verbatim duplicate of the official Form 656, and I/we agree to be bound by all the terms and conditions set forth in the official Form 656.		
	Under penalties of perjury, I declare that I have examined this offer, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.		
	Signature of Taxpayer	Daytime Telephone Number ()	Date (mmddyyyy)
	Signature of Taxpayer	Date (mmddyyyy)	

Official Use Only

I accept the waiver of the statutory period of limitations on assessment for the Internal Revenue Service, as described in Section V(e).

Signature of Authorized Internal Revenue Service Official	Title	Date (mmddyyyy)
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Section IX Application Prepared by Someone Other than the Taxpayer

If this application was prepared by someone other than the taxpayer, please fill in that person's name and address below.

Name
Address (if known) (Street, City, State, ZIP code)

Section X Paid Preparer Use Only

Name of Preparer			
Signature of Preparer	Date (mmddyyyy)	Check if self-employed <input type="checkbox"/>	Preparer's CAF no. or PTIN
Firm's name (or yours if self-employed), address, and ZIP code			

Section XI Third Party Designee

Do you want to allow another person to discuss this offer with the IRS? <input type="checkbox"/> Yes. Complete the information below. <input type="checkbox"/> No	
Designee's Name	Telephone Number ()

Privacy Act Statement

We ask for the information on this form to carry out the internal revenue laws of the United States. Our authority to request this information is Section 7801 of the Internal Revenue Code.

Our purpose for requesting the information is to determine if it is in the best interests of the IRS to accept an Offer in Compromise. You are not required to make an Offer in Compromise; however, if you choose to do so, you must provide all of the taxpayer information requested. Failure to provide all of the information may prevent us from processing your request.

If you are a paid preparer and you prepared the Form 656 for the taxpayer submitting an offer, we request that you complete and sign Section X on Form 656, and provide identifying information. Providing this information is voluntary. This information will be used to administer and enforce the internal revenue laws of the United States and may be used to regulate practice before the Internal Revenue Service for those persons subject to Treasury Department Circular No. 230, Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries, and Appraisers before the Internal Revenue Service. Information on this form may be disclosed to the Department of Justice for civil and criminal litigation.

We may also disclose this information to cities, states and the District of Columbia for use in administering their tax laws and to combat terrorism. Providing false or fraudulent information on this form may subject you to criminal prosecution and penalties.

Attention:

Instructions and pertaining forms for completing an accurate Offer in Compromise are available in the Form 656-B, Offer in Compromise Booklet. The Form 656-B is available through the IRS website www.irs.gov.

Bankruptcy Inventory Alpha Assignments
Insolvency Group Number 414-231-2200
Secretary: Sylvia Aviles, 414-231-2202
Manager: Jack Haenlein, 414-231-2201
Taxpayer Advocate: 414-231-2390
Walk-In: 414-231-2101
Insolvency Fax Number 414-231-2203
Madison Fax: 608-829-5802

01/22/2010

Eastern district court WIE02 grade 7 and 9 in the following chapters 13, 7N, 7A, 11, and receiverships

EXT		
B Bischel	B, E through GE	414-231-2210
K. Briggs	GF through KO	414-231-2211
D. Galik	C, D, KP through ME, & O	414-231-2125
S. Heindl	P through SO	414-231-2204
L. Latz	SP through Z	414-231-2330

Western district court WIW01,02,03,05 &06 grade 7 & 9 in the following chapters 7A, 7N, 11, and receiverships.

D. Galik	A through Z	414-231-2125
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Western district court WIW01,02,03,05 &06 grade 7 & 9 in the following chapter 13

R. Hernandez	A through N	608-829-8111
	A in WIE02 court	

Western district court WIW01,02,03,05 &06 grade 7 & 9 in the following chapters 13

T. Langenohl	O through Z	608-829-8180
	MF – MZ & N in WIE02 court	

ADVISOR:

All grade 11& 12 chapter 11 cases in wisconsin and all grade 12 cases in chapters 13, 7A, 7N, and receiverships

V. Thomas	608-829-8127
Madison Fax: 608-829-5802	

