



Georgia Department of Revenue
Offer in Compromise

Form OIC-1
(March 2011)

PLEASE READ:

- Use this form to compromise all state tax liabilities **except** for individual income tax liabilities less than \$25,000 (use Form OIC-1S instead).
- Complete and submit Form CD-14B (Statement of Financial Condition for Businesses) and/or CD-14C (Statement of Financial Condition for Wage Earners and Self-Employed Individuals) with this application as applicable.

SECTION 1 Taxpayer Contact Information

| | | | |
|--|----------------|-----------|--------------------------------|
| Taxpayer's First Name | Middle Initial | Last Name | Social Security Number |
| If a joint offer, spouse's First Name | Middle Initial | Last Name | Social Security Number |
| Business Name (use if business making offer) | | | Employer Identification Number |
| Taxpayer's Address (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) | | | |

SECTION 2 Submission of Offer

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).

| | |
|--|---|
| <input type="checkbox"/> Individual income tax | Year(s): |
| <input type="checkbox"/> Employer withholding tax | Period(s): |
| <input type="checkbox"/> Sales and use tax | Period(s): |
| <input type="checkbox"/> Personal liability for sales tax or withholding tax delinquency under O.C.G.A. § 48-2-52 as a responsible person for the listed business and periods: | <u>Business Name</u> <u>Employer Identification Number</u> <u>Period(s)</u> |
| <input type="checkbox"/> Corporate income tax | Year(s): |
| <input type="checkbox"/> IFTA Fuel Tax | Period(s): |
| <input type="checkbox"/> Other Tax Type: | Period(s) |

Note: If you need more space, use a separate sheet of paper and title it "Attachment to Form OIC-1." Sign and date the attachment following the listing of the tax periods.

SECTION 3 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 Statement of Financial Condition (Form CD-14B and/or CD-14C).
- ☐ Economic Hardship — *"Due to my exceptional circumstances, requiring full payment would cause an economic hardship."* You must include a complete Statement of Financial Condition (Form CD-14B and/or CD-14C) and complete Section 7 of this application.
- ☐ Doubt as to Liability — *"I do not believe I owe this amount."* You **cannot** submit an offer in compromise claiming both that you do not believe the liability is correct (doubt as to liability) **and** that you are unable to pay it (doubt as to collectibility). Do **not** complete Form CD-14A. You **must** include a detailed explanation of the reason(s) why you believe you do not owe the tax by completing Section 7 of this application.

SECTION 4 Application Fee

Did you include a \$100 application fee with application? ☐ Yes ☐ No

If no, you must include a properly completed Form OIC-1A *Income Certification for Offer in Compromise Application Fee*.

SECTION 5 Offer to Pay

I/We offer to pay \$_____ (must be more than zero). Complete Section 6 of this application to explain where you will obtain the funds to make this offer.

Check one of the following:

☐ **Lump sum cash offer:** The offer must be paid within 60 days from written acceptance to the offer.

☐ **Short-Term Deferred Payment Offer:** Offer amount must be paid within 60 months from written notice of acceptance of the offer and must be paid in regular, monthly amounts. First payment will be automatically debited from your financial institution on the 10th day of the month following written acceptance of the offer. **Interest will continue to accrue for all sales tax and withholding tax liabilities.** Complete the following:

\$_____ will be automatically deducted from my financial institution for _____ months.

Financial Institution Name: _____

Mailing Address (street, city, state, zip):_____

Names on the Account: _____

Routing Number:

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

☐ Checking Account ☐ Savings Account

Account Number:

SECTION 6 Source of Funds

I/We shall obtain the funds to make this offer from the following source(s):

SECTION 7 Explanation of Circumstances

I/we request an Offer in Compromise for the reason(s) listed below:

NOTE: Explain your situation if you believe the tax is incorrect or if you have special circumstances affecting your ability to fully pay the amount due. You may attach additional sheets if necessary. You should also attach documentation to support your claim that the tax is incorrect.

[illegible]

SECTION 8**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. These tax payments are not refundable even if I/we withdraw the offer prior to acceptance or the Georgia Department of Revenue ("Department") returns or rejects the offer. If the offer is accepted, the Department 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.

(c) The \$100 nonrefundable application fee shall be treated as part of the offer if the offer is accepted by the Department.

(d) The offer becomes officially acknowledged once written notification of receipt has been made by an authorized Department official. The offer remains pending until an authorized Department official issues notification of acceptance or rejection, or until the offer is withdrawn by me/us.

(e) I/we understand that after an offer is determined to be complete and submitted for processing, the Department will not act to collect the tax liability while the Department considers and evaluates my/our offer. However, I/we also understand that the Department **will not suspend collection** if the Department determines that I/we submitted my/our offer to delay collection or cause a delay that will jeopardize the Department's ability to collect the tax.

(f) I/We will comply with all provisions of the Georgia Public 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 8(l) of this agreement will be applied only to the party failing to comply with the requirements of this paragraph.

(g) I/We waive and agree to the suspension of any statutory periods of limitation (time limits provided by law) for the Department assessment of the liability for the periods identified in Section 2. 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 Department 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 tax due the State of Georgia for the periods described in Section 2 may be assessed at any time prior to the acceptance of this offer.

(h) The Department will keep all payments and credits made, received or applied to the total original liability before submission of this offer. The Department may keep any proceeds from a levy or garnishment 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 Department 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 Department accepts the offer. The date of acceptance is the date on the written notice of acceptance issued by the Department to me/us or to my/our

representative. I/We may not designate an overpayment ordinarily subject to refund, to which the Department is entitled, to be applied to estimated tax payments for the following year.

(i) I/We will return to the Department any refund identified in paragraph (h) received after submission of this offer.

(j) I/We understand that I/we remain responsible for the full amount of the liabilities, unless and until the Department accepts the offer in writing and I/we have met all the terms and conditions of the offer. The Department 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 Department files in the bankruptcy proceedings will be a tax claim.

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

(l) If I/we fail to meet any of the terms and conditions of the offer and the offer defaults, the Department may:

- issue and record a tax execution, if applicable, regarding all tax liabilities identified in Section 2 of this application;
- initiate all appropriate enforced collection activity, including levy and garnishment, to collect any outstanding tax liabilities identified in Section 2 of this application without further notice of any kind;
- disregard the offer amount and apply all amounts already paid under the offer against the original amount of the liability.

(m) The Department will continue to add interest on the amount the Department determines is due after default. The interest will continue to accrue until I/we completely satisfy the amount owed.

(n) The Department generally files a state tax execution to protect the Government's interest on offers with deferred payments involving sales tax and withholding tax liabilities. Also, the Department may file a state tax execution during the offer investigation. This state tax execution will be released when the payment terms of the offer agreement have been satisfied.

(o) I/We understand that Department employees may contact third parties in order to respond to this request and I/we authorize the Department to make such contacts. Further, by authorizing the Department to contact third parties, I/we understand that I/we will not receive notice of third parties contacted in connection with this request.

(p) I/We are offering to compromise all the liabilities assessed against me/us as of the date of this offer and under the taxpayer identification numbers listed in Section 2 above. I/We authorize the Department to amend Section 2 to include any assessed liabilities we failed to list on Form OIC-1.

(q) If a Short Term Deferred Payment Offer is selected under Section 4 of this application, I authorize the Georgia Department of Revenue and its designated financial agent to

initiate a monthly ACH electronic funds withdrawal entry to the financial institution account indicated in Section 4 for payments of my state taxes included in this offer and the financial institution to debit the entry to this account. I also authorize the financial institutions involved in the processing of electric payments of state taxes to receive confidential tax information necessary to answer inquiries and resolve issues related to those payments. This authorization is to remain in full force and effect until I notify the Department to terminate the authorization. **Note: Short Term Deferred Payment Offers involving sales tax or withholding tax will continue to accrue at the statutory 12% interest rate.**

(r) If the taxpayer does not fully satisfy the terms of offer or any modification thereto, the Department will recoup the \$1,922 cost of processing the offer from the taxpayer.

(s) A \$100 cost assessment shall be charged to any subsequent modifications to the offer.

Section 9 Mandatory Signatures

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. I understand that to willfully prepare or present a document that is fraudulent or false is a criminal misdemeanor under O.C.G.A. § 48-1-6.

| | | |
|-----------------------|--------------------------|-----------------|
| Signature of Taxpayer | Daytime Telephone Number | Date (mmddyyyy) |
| Signature of Taxpayer | | Date (mmddyyyy) |

Section 10 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 of Preparer | Signature of Preparer | Date (mmddyyyy) |
| Address (Street, City, State, and ZIP code) | | |

Section 11 Third Party Designee

Do you want to allow another person to discuss this offer with the Georgia Department of Revenue? ☐ No ☐ Yes (if yes, complete information below) **Note:** You must submit Form RD-1061 *Power of Attorney* if you want to authorize someone else to make decisions and act on your behalf regarding this offer.

| | |
|-----------------|------------------|
| Designee's Name | Telephone Number |
|-----------------|------------------|

Mail this application and all attachments to the following address:

**Georgia Department of Revenue
Offer in Compromise Program
1800 Century Blvd., NE, Suite 17205
Atlanta, Georgia 30345-3209**