

# Form 656 Booklet

# Offer in Compromise



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## IRS contact information

If you want to see if you qualify for an offer before filling out the paperwork, you may use the Offer in Compromise Pre-Qualifier tool. The questionnaire format assists in gathering the information needed and provides instant feedback as to your eligibility based on the information you provided. The tool will also assist you in determining a preliminary offer amount for consideration of an acceptable offer. The Pre-Qualifier tool is located on our website at [www.irs.gov](http://www.irs.gov).

If you have questions regarding qualifications for an offer in compromise, please call our toll-free number at 1-800-829-1040. You can get forms and publications by calling 1-800-TAX-FORM (1-800-829-3676), by visiting your local IRS office, or at [www.irs.gov](http://www.irs.gov).

## Taxpayer resources

The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service that helps taxpayers and protects taxpayer rights. We help taxpayers whose problems with the IRS are causing financial difficulties, who've tried but haven't been able to resolve their problems with the IRS, or believe an IRS system or procedure isn't working as it should. And the service is free. Your local advocate's number is in your local directory and at [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov). You can also call us at 1-877-777-4778. For more information about TAS and your rights under the Taxpayer Bill of Rights, go to [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov). TAS is your voice at the IRS.

Low Income Taxpayer Clinics (LITCs) are independent from the IRS. LITCs serve individuals whose income is below a certain level and who need to resolve a tax problem with the IRS. LITCs provide professional representation before the IRS or in court on audits, appeals, tax collection disputes, and other issues for free or for a small fee. For more information and to find an LTC near you, see the LTC page at [www.taxpayeradvocate.irs.gov/litcmap](http://www.taxpayeradvocate.irs.gov/litcmap) or IRS [Publication 4134](#), Low Income Taxpayer Clinic List. This Publication is also available by calling the IRS toll-free at 1-800-829-3676 or visiting your local IRS office.



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## WHAT YOU NEED TO KNOW

### What is an Offer?

An Offer in Compromise (offer) is an agreement between you (the taxpayer) and the IRS that settles a tax debt for less than the full amount owed. The offer program provides eligible taxpayers with a path toward paying off their tax debt and getting a fresh start. The ultimate goal is a compromise that suits the best interest of both the taxpayer and the IRS. To be considered, generally you must make an appropriate offer based on what the IRS considers your true ability to pay.

Submitting an application does not ensure that the IRS will accept your offer. It begins a process of evaluation and verification by the IRS, taking into consideration any special circumstances that might affect your ability to pay.

This booklet will lead you through a series of steps to help you calculate an appropriate offer based on your assets, income, expenses, and future earning potential. The application requires you to describe your financial situation in detail, so before you begin, make sure you have the necessary information and documentation.

### Are You Eligible?

Before your offer can be considered, you must (1) file all tax returns you are legally required to file, (2) have received a bill for at least one tax debt included on your offer, (3) make all required estimated tax payments for the current year, and (4) make all required federal tax deposits for the current quarter if you are a business owner with employees. Your offer will be immediately returned without consideration if you have not filed all tax returns you are legally required to file.

**Note: If it is determined you have not filed all tax returns any initial payment sent with your offer will be applied to your tax debt and your offer will be returned along with your application fee.**

### Bankruptcy

If you or your business is currently in an open bankruptcy proceeding, you are not eligible to apply for an offer. Any resolution of your outstanding tax debts generally must take place within the context of your bankruptcy proceeding.

If you are not sure of your bankruptcy status, contact the Centralized Insolvency Operation at 1-800-973-0424. Be prepared to provide your bankruptcy case number and/or Taxpayer Identification Number.

### Can You Pay in Full?

Generally, the IRS will not accept an offer if you can pay your tax debt in full or through an installment agreement and/or equity in assets.

**Note: Adjustments or exclusions, such as allowance of \$1,000 to a bank balance or \$3,450 against the value of a car, are only applied after it is determined that you cannot pay your tax debt in full.**

### Your Future Tax Refunds

The IRS will keep any refund, including interest, for tax periods extending through the calendar year that the IRS accepts the offer. For example, if your offer is accepted in 2016 and you file your 2016 Form 1040 on April 15, 2017 showing a refund, IRS will apply your refund to your tax debt. The refund is not considered as a payment toward your offer.

### Doubt as to Liability

If you have a legitimate doubt that you owe part or all of the tax debt, complete and submit a **Form 656-L, Offer in Compromise (Doubt as to Liability)**. The Form 656-L is not included as part of this package. To request a Form 656-L, visit [www.irs.gov](http://www.irs.gov) or a local IRS office or call toll-free 1-800-TAX-FORM (1-800-829-3676).

## Notice of Federal Tax Lien

A lien is a legal claim against all your current and future property. When you don't pay your first bill for taxes due, a lien is created by law and attaches to your property. A Notice of Federal Tax Lien (NFTL) provides public notice to creditors and is filed to establish priority of the IRS claim versus the claims of other creditors. The IRS may file an NFTL while your offer is being considered. However, an NFTL will usually not be filed until a final decision has been made on your offer.

**Note: A Notice of Federal Tax Lien (NFTL) will not be filed on any individual shared responsibility payment under the Affordable Care Act.**

## Trust Fund Taxes

If your business owes trust fund taxes, responsible individuals may be held liable for the trust fund portion of the tax. Trust fund taxes are the money withheld from an employee's wages, such as income tax, Social Security, and Medicare taxes. You are not eligible to submit an offer unless the trust fund portion of the tax is paid or the Trust Fund Recovery Penalty determinations have been made on all potentially responsible individual(s). However, if you are submitting the offer as a victim of payroll service provider fraud or failure, the trust fund assessment discussed above is not required.

## Your Rights as a Taxpayer

Each and every taxpayer has a set of fundamental rights they should be aware of when dealing with the IRS. Explore your rights and our obligations to protect them. For more information on your rights as a taxpayer, go to <http://www.irs.gov/Taxpayer-Bill-of-Rights>.

## Other Important Facts

Penalties and interest will continue to accrue during consideration of your offer.

After you file your offer, you must continue to timely file and pay all required tax returns, estimated tax payments, and federal tax payments. Failure to meet your filing and payment responsibilities during consideration of your offer will result in your offer being returned. If your offer is accepted, you must continue to stay current with all tax filing and payment obligations through the fifth year after your offer is accepted (including any extensions).

**Note: If you have filed your tax returns but you have not received a bill for at least one tax debt included on your offer, your offer may be returned.**

An offer cannot be accepted for processing if the IRS has referred your case, or cases, involving all of the liabilities identified in the offer to the Department of Justice (DOJ). In addition, the IRS cannot compromise any restitution amount ordered by a court or a tax debt that has been reduced to judgment.

The law requires the IRS to make certain information from accepted offers available for public inspection and review. These public inspection files are located in designated IRS Area Offices.

The IRS may levy your assets up to the time that the IRS official signs and acknowledges your offer as pending. In addition, the IRS may keep any proceeds received from the levy. If your assets are levied after your offer is pending, immediately contact the IRS person whose name and phone number is listed on the levy.

If you currently have an approved installment agreement, you will not be required to make your installment agreement payments while your offer is being considered. If your offer is not accepted and you have not incurred any additional tax debt, your installment agreement with the IRS will be reinstated with no additional fee.

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## PAYING FOR YOUR OFFER

### Application Fee

Offers require a \$186 application fee.

Exception: If you are an individual or are operating as a sole proprietor, or are a disregarded single member Limited Liability Company (LLC) taxed as a sole proprietor and your household gross income meets the Low Income Certification guidelines, you will not be required to send the application fee.

**Note: You may be eligible to receive a refund of the application fee if the IRS either (1) accepts the offer to promote effective tax administration, or (2) accepts the offer based on doubt as to collectability and determines that collecting an amount greater than the amount offered would create an economic hardship. After the IRS processes your offer, the IRS will notify you if you are eligible to request a refund of the application fee.**

### Payment Options

You must select a payment option and include the payment with your offer. The amount of the initial payment and subsequent payments will depend on the total amount of your offer and which of the following payment options you choose:

**Lump Sum Cash:** This option requires 20% of the total offer amount to be paid with the offer and the remaining balance paid in 5 or fewer payments within 5 or fewer months of the date your offer is accepted.

**Periodic Payment:** This option requires the first payment to be paid with the offer and the remaining balance paid in monthly payments within 6 to 24 months, in accordance with your proposed offer terms.

**Note: Under this option, you must continue to make monthly payments while the IRS is evaluating your offer. Failure to make these payments will cause your offer to be returned. There is no appeal. Total payments must equal the total offer amount.**

Exception: If you are an individual, are operating as a sole proprietor, or are a disregarded single member LLC taxed as a sole proprietor, and your household income meets the Low Income Certification guidelines, you will not be required to send the initial payment or make the required monthly payments while your offer is being considered.

All payments sent in with your offer and made during consideration of the offer will be applied to your tax debt. The payments cannot be returned to you unless you pay more than the required payment and designate it as a deposit.

If you do not have sufficient cash to pay for your offer, you may need to consider borrowing money from a bank, friends, and/or family. Other options may include borrowing against or selling other assets.

**Note: You may not pay your offer amount with an expected or current tax refund, money already paid, funds attached by any collection action, or anticipated benefits from a capital or net operating loss. If you are planning to use your retirement savings from an IRA or 401k plan, you may have future tax liabilities owed as a result. Contact the IRS or your tax advisor before taking this action.**

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## HOW TO APPLY

### Application Process

The application must include:

- **Form 656**, Offer in Compromise
- **Completed Form 433-A (OIC)**, Collection Information Statement for Wage Earners and Self-Employed Individuals, if applicable
- **Completed Form 433-B (OIC)**, Collection Information Statement for Businesses, if applicable
- **\$186 application fee**, unless you meet Low Income Certification
- **Initial offer payment**, unless you meet Low Income Certification

Note: Your offer(s) cannot be considered without the completed and signed Collection Information Statement(s), Form 433-A (OIC) and/or 433-B (OIC).

**If You and Your Spouse Owe Joint and Separate Tax Debts**

If you and your spouse have joint tax debt(s) and you and/or your spouse are also responsible for separate tax debt(s), you will each need to send in a separate Form 656. You will complete one Form 656 for yourself listing all your joint and any separate tax debts and your spouse will complete one Form 656 listing all his or her joint tax debt(s) plus any separate tax debt(s), for a total of two Forms 656.

If you and your spouse or ex-spouse have a joint tax debt and your spouse or ex-spouse does not want to be part of the offer, you on your own may submit a Form 656 to compromise your responsibility for the joint tax debt.

Each Form 656 will require the \$186 application fee and initial payment unless you are an individual, are operating as a sole proprietor, or are a disregarded single member LLC taxed as a sole proprietor, and meet the Low Income Certification guidelines.

**If You Owe Individual and Business Tax Debt**

If you have individual and business tax debt that you wish to compromise, you will need to send in two Forms 656. Complete one Form 656 for your individual tax debts and one Form 656 for your business tax debts. Each Form 656 will require the \$186 application fee and initial payment.

**Note: A business is defined as a corporation, partnership, or any business that is operated as other than a sole-proprietorship. An individual's share of a partnership debt will not be compromised. The partnership must submit an offer based on the partnership's and partners' ability to pay.**

**If You Have Tax Debt From a Limited Liability Company (LLC)**

Individuals or individuals operating as a disregarded single member LLC taxed as a sole proprietor, tax debts (including employment taxes) incurred before January 1, 2009 may be included on one Form 656. However, in those instances where an LLC incurred employment taxes after January 1, 2009 or excise taxes after January 1, 2008, two Forms 656 must be sent with a separate application fee and initial payment for each offer, even if the tax debts were reported under the same Tax Identification Number. One Form 656 will be for the individual tax debts while the second Form 656 will be for the LLC employment tax debts incurred after January 1, 2009 and excise tax debts after January 1, 2008.

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**COMPLETING THE APPLICATION PACKAGE**

**Step 1 – Gather Your Information**

To calculate an offer amount, you will need to gather information about your financial situation, including cash, investments, available credit, assets, income, and debt.

You will also need to gather information about your average household's gross monthly income and expenses. The entire household includes all those in addition to yourself who contribute money to pay expenses relating to the household such as, rent, utilities, insurance, groceries, etc. This is necessary for the IRS to accurately evaluate your offer.

In general, the IRS will not consider expenses for tuition for private schools, college expenses, charitable contributions, and other unsecured debt payments as part of the expense calculation.

**Step 2 – Fill out Form 433-A (OIC), Collection Information Statement for Wage Earners and Self-Employed Individuals**

Fill out Form 433-A (OIC) if you are an individual wage earner and/or operate as a sole proprietor, a disregarded single member LLC taxed as a sole proprietor or are submitting an offer on behalf of a deceased individual. This will be used to calculate an appropriate offer amount based on your assets, income, expenses, and future earning potential. You will have the opportunity to provide a written explanation of any special circumstances that affect your financial situation.

**Step 3 – Fill out Form 433-B (OIC), Collection Information Statement for Businesses**

Fill out Form 433-B (OIC) if the business is a Corporation, Partnership, LLC classified as a corporation, single member LLC taxed as a corporation, or other multi-owner/multi-member LLC. This will be used to calculate an appropriate offer amount based on the business assets, income, expenses, and future earning potential. If the business has assets that are used to produce income (for example, a tow truck used in the business for towing vehicles), the business may be allowed to exclude equity in these assets.

**Step 4 – Attach Required Documentation**

You will need to attach supporting documentation with Form(s) 433-A (OIC) and 433-B (OIC). A list of the documents required will be found at the end of each form. Include copies of all required attachments. **Do not send original documents.**

**Step 5 – Fill out Form 656, Offer in Compromise**

Fill out Form 656. The Form 656 identifies the tax years and type of tax you would like to compromise. It also identifies your offer amount and the payment terms.

**Step 6 – Include Initial Payment and \$186 Application Fee**

Include a personal check, cashier's check, or money order for your initial payment based on the payment option you selected (20% of the offer amount for a lump sum cash offer or the first month's payment for a periodic payment offer).

Include a separate personal check, cashier's check, or money order for the application fee (\$186).

Make both payments payable to the "United States Treasury." All payments must be made in U.S. dollars.

If you meet the Low Income Certification guidelines, the initial payment and application fee are not required.

**Step 7 – Mail the Application Package**

Make a copy of your application package and keep it for your records.

Mail the application package to the appropriate IRS facility. See page 27, Application Checklist, for details.

**Note: If you are working with an IRS employee, let him or her know you are sending or have sent an offer to compromise your tax debt(s).**

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**IMPORTANT INFORMATION**

**After You Mail Your Application Continue to:**

Promptly reply to any requests for additional information within the time frame specified.

If you selected the Periodic Payment option, you must continue to make the payments during consideration of your offer, unless you meet the Low Income Certification. Failure to reply timely or make monthly payments may result in the return of your offer without appeal rights.

If your offer is accepted, you must continue to timely file all required tax returns and timely pay all estimated tax payments and federal tax payments that become due in the future. If you fail to timely file and timely pay any tax obligations that become due within the five years after your offer is accepted (including any extensions) your offer may be defaulted. If your offer is defaulted, you will be liable for the original tax debt, less payments made, and all accrued interest and penalties. An offer does not stop the accrual of interest and penalties. Please note that if your final payment is more than the agreed amount by \$50 or less the money will not be returned but will be applied to your tax debt. If your final payment is more than the agreed amount by more than \$50, your money will be returned to you.

In addition, your offer may be defaulted if you fail to promptly pay any tax debts assessed after acceptance of your offer for any tax years prior to acceptance that were not included in your original offer.





**Collection Information Statement for Wage Earners and Self-Employed Individuals**

**Use this form if you are**

- ▶ An individual who owes income tax on a Form 1040, U.S. Individual Income Tax Return
- ▶ An individual with a personal liability for Excise Tax
- ▶ An individual responsible for a Trust Fund Recovery Penalty
- ▶ An individual who is self-employed or has self-employment income. You are considered to be self-employed if you are in business for yourself, or carry on a trade or business.
- ▶ An individual who is personally responsible for a partnership liability (only if the partnership is submitting an offer)
- ▶ An individual who operates as a disregarded single member Limited Liability Company (LLC) taxed as a sole proprietor
- ▶ An individual who is submitting an offer on behalf of a deceased person

**Note: Include attachments if additional space is needed to respond completely to any question. This form should only be used with the Form 656, Offer in Compromise.**

**Section 1 Personal and Household Information**

Last Name		First Name		Date of Birth (mm/dd/yyyy)	Social Security Number - -
Marital status <input type="checkbox"/> Unmarried <input type="checkbox"/> Married	Home Physical Address (Street, City, State, ZIP Code)			Do you: <input type="checkbox"/> Own your home <input type="checkbox"/> Rent <input type="checkbox"/> Other (specify e.g., share rent, live with relative, etc.)	
County of Residence		Primary Phone ( ) -		Home Mailing Address (if different from above or Post Office Box number)	
Secondary Phone ( ) -		Fax Number ( ) -			

**Provide information about your spouse.**

Spouse's Last Name	Spouse's First Name	Date of Birth (mm/dd/yyyy)	Social Security Number - -
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**Provide information for all other persons in the household or claimed as a dependent.**

Name	Age	Relationship	Claimed as a dependent on your Form 1040?	Contributes to household income?
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Section 2 Employment Information for Wage Earners**

Complete this section if you or your spouse are wage earners and received a Form W-2. If you or your spouse have self-employment income (that is you file a Schedule C, E, F, etc.) instead of, or in addition to wage income, you must also complete Business Information in Sections 4, 5, and 6.

Your Employer's Name		Employer's Address (street, city, state, zip code)	
Do you have an ownership interest in this business? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, check the business interest that applies: <input type="checkbox"/> Partner <input type="checkbox"/> Officer <input type="checkbox"/> Sole proprietor		
Your Occupation	How long with this employer (years)                      (months)		
Spouse's Employer's Name		Employer's Address (street, city, state, zip code)	
Does your spouse have an ownership interest in this business? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, check the business interest that applies: <input type="checkbox"/> Partner <input type="checkbox"/> Officer <input type="checkbox"/> Sole proprietor		
Spouse's Occupation	How long with this employer (years)                      (months)		

**Section 3 Personal Asset Information**

Use the most current statement for each type of account, such as checking, savings, money market and online accounts, stored value cards (such as, a payroll card from an employer), investment and retirement accounts (IRAs, Keogh, 401(k) plans, stocks, bonds, mutual funds, certificates of deposit), life insurance policies that have a cash value, and safe deposit boxes. Asset value is subject to adjustment by IRS based on individual circumstances. Enter the total amount available for each of the following (if additional space is needed include attachments).

**Round to the nearest dollar. Do not enter a negative number. If any line item is a negative number, enter "0".**

**Cash and Investments (domestic and foreign)**

<input type="checkbox"/> Cash <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(1a) \$
<input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(1b) \$
Total of bank accounts from attachment		(1c) \$
<b>Add lines (1a) through (1c) minus (\$1,000) =</b>		<b>(1) \$</b>
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	– \$ _____ =	(2a) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	– \$ _____ =	(2b) \$
Total investment accounts from attachment. [current market value X.8 minus loan balance(s)]		(2c) \$
<b>Add lines (2a) through (2c) =</b>		<b>(2) \$</b>
Retirement Account: <input type="checkbox"/> 401K <input type="checkbox"/> IRA <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	– \$ _____ =	(3a) \$
Retirement Account: <input type="checkbox"/> 401K <input type="checkbox"/> IRA <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	– \$ _____ =	(3b) \$
Total of retirement accounts from attachment. [current market value X .8 minus loan balance(s)]		(3c) \$
<b>Add lines (3a) through (3c) =</b>		<b>(3) \$</b>
Cash Value of Life Insurance Policies		
Name of Insurance Company	Policy Number	
Current Cash Value	Minus Loan Balance	
\$ _____	– \$ _____ =	(4a) \$
Total cash value of life insurance policies from attachment	Minus Loan Balance(s)	
\$ _____	– \$ _____ =	(4b) \$
<b>Add lines (4a) through (4b) =</b>		<b>(4) \$</b>

**Section 3 (Continued) Personal Asset Information**

**Real Estate (Enter information about any house, condo, co-op, time share, etc. that you own or are buying)**

Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	Date Purchased	
County and Country	Date of Final Payment	
How title is held (joint tenancy, etc.)	Description of Property	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance (Mortgages, etc.) - \$ _____	(Total Value of Real Estate) = (5a) \$
Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	Date Purchased	
County and Country	Date of Final Payment	
How title is held (joint tenancy, etc.)	Description of Property	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance (Mortgages, etc.) - \$ _____	(Total Value of Real Estate) = (5b) \$
Total value of property(s) from attachment [current market value X .8 minus any loan balance(s)]		(5c) \$
<b>Add lines (5a) through (5c) =</b>		<b>(5) \$</b>

**Vehicles (Enter information about any cars, boats, motorcycles, etc. that you own or lease)**

Vehicle Make & Model	Year	Date Purchased	Mileage	
<input type="checkbox"/> Lease	Name of Creditor		Date of Final Payment	
<input type="checkbox"/> Loan			Monthly Lease/Loan Amount \$ _____	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance (Mortgages, etc.) - \$ _____		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) = (6a) \$	
			Subtract \$3,450 from line (6a) (If line (6a) minus \$3,450 is a negative number, enter "0") (6b) \$	
Vehicle Make & Model	Year	Date Purchased	Mileage	
<input type="checkbox"/> Lease	Name of Creditor		Date of Final Payment	
<input type="checkbox"/> Loan			Monthly Lease/Loan Amount \$ _____	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance (Mortgages, etc.) - \$ _____		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) = (6c) \$	
			If you are filing a joint offer, subtract \$3,450 from line (6c) (If line (6c) minus \$3,450 is a negative number, enter "0") If you are not filing a joint offer, enter the amount from line (6c) (6d) \$	
Total value of vehicles listed from attachment [current market value X .8 minus any loan balance(s)]				(6e) \$
<b>Total lines (6b), (6d), and (6e) =</b>				<b>(6) \$</b>

**Section 3 (Continued) Personal Asset Information**

Other valuable items (artwork, collections, jewelry, items of value in safe deposit boxes, interest in a company or business that is not publicly traded, etc.)

**Note: Do not include clothing, furniture and other personal effects.**

Description of asset:		
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____ =	(7a) \$
Description of asset:		
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____ =	(7b) \$
Total value of valuable items listed from attachment [current market value X .8 minus any loan balance(s)]		(7c) \$
<b>Add lines (7a) through (7c) =</b>		<b>(7) \$</b>
Do not include amount on the lines with a letter beside the number. Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. <b>Add lines (1) through (7) and enter the amount in Box A =</b>		<b>Box A</b> Available Individual Equity in Assets \$ _____

**NOTE: If you or your spouse are self-employed, Sections 4, 5, and 6 must be completed before continuing with Sections 7 and 8.**

**Section 4 Self-Employed Information**

If you or your spouse are self-employed (e.g., files Schedule(s) C, E, F, etc.), complete this section.

Is your business a sole proprietorship? <input type="checkbox"/> Yes <input type="checkbox"/> No		Address of Business (if other than personal residence)	
Name of Business			
Business Telephone Number ( ) -	Employer Identification Number	Business Website	Trade Name or DBA
Description of Business	Total Number of Employees	Frequency of Tax Deposits	Average Gross Monthly Payroll \$
Do you or your spouse have any other business interests? Include any interest in an LLC, LLP, corporation, partnership, etc. <input type="checkbox"/> Yes (Percentage of ownership: ) Title: <input type="checkbox"/> No		Business Address (Street, City, State, ZIP code)	
Business Name		Business Telephone Number ( ) -	Employer Identification Number
Type of business (Select one) <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Other _____			

**Section 5 Business Asset Information (for Self-Employed)**

List business assets such as bank accounts, tools, books, machinery, equipment, business vehicles and real property that is owned/leased/rented. If additional space is needed, attach a list of items. Do not include personal assets listed in Section 3.

**Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative number, enter "0".**

<input type="checkbox"/> Cash <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(8a) \$
<input type="checkbox"/> Cash <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(8b) \$
Total bank accounts from attachment		(8c) \$
<b>Add lines (8a) through (8c) =</b>		<b>(8) \$</b>

**Section 5 (Continued)****Business Asset Information (for Self-Employed)**

Description of asset:

Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance - \$ _____	<i>(if leased or used in the production of income, enter 0 as the total value)</i>	=	(9a) \$
Description of asset:				
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance - \$ _____	<i>(if leased or used in the production of income, enter 0 as the total value)</i>	=	(9b) \$
Total value of assets listed from attachment [current market value X .8 minus any loan balance(s)]				(9c) \$
<b>Add lines (9a) through (9c) =</b>				<b>(9) \$</b>
IRS allowed deduction for professional books and tools of trade -				(10) \$
<b>Enter the value of line (9) minus line (10). If less than zero enter zero. =</b>				<b>(11) \$</b>
<b>Notes Receivable</b>				
Do you have notes receivable? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, attach current listing that includes name(s) and amount of note(s) receivable.				
<b>Accounts Receivable</b>				
Do you have accounts receivable, including e-payment, factoring companies, and any bartering or online auction accounts? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, you may be asked to provide a list of your account(s) receivable.				
Do not include amounts from the lines with a letter beside the number [for example: (9c)]. Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line.				<b>Box B</b> Available Business Equity in Assets
<b>Add lines (8) and (11) and enter the amount in Box B =</b>				<b>\$</b>

**Section 6****Business Income and Expense Information (for Self-Employed)**

If you provide a current profit and loss (P&L) statement for the information below, enter the total gross monthly income on line 17 and your monthly expenses on line 29 below. Do not complete lines (12) - (16) and (18) - (28). You may use the amounts claimed for income and expenses on your most recent Schedule C; however, if the amount has changed significantly within the past year, a current P&L should be submitted to substantiate the claim.

**Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative number, enter "0".**

**Business Income (You may average 6-12 months income/receipts to determine your Gross monthly income/receipts.)**

Gross receipts	(12) \$
Gross rental income	(13) \$
Interest income	(14) \$
Dividends	(15) \$
Other income	(16) \$
<b>Add lines (12) through (16) =</b>	<b>(17) \$</b>

**Business Expenses (You may average 6-12 months expenses to determine your average expenses.)**

Materials purchased (e.g., items directly related to the production of a product or service)	(18) \$
Inventory purchased (e.g., goods bought for resale)	(19) \$
Gross wages and salaries	(20) \$
Rent	(21) \$
Supplies (items used to conduct business and used up within one year, e.g., books, office supplies, professional equipment, etc.)	(22) \$
Utilities/telephones	(23) \$
Vehicle costs (gas, oil, repairs, maintenance)	(24) \$
Business Insurance	(25) \$
Current Business Taxes (e.g., Real estate, excise, franchise, occupational, personal property, sales and employer's portion of employment taxes)	(26) \$
Secured debts (not credit cards)	(27) \$
Other business expenses (include a list)	(28) \$
<b>Add lines (18) through (28) =</b>	<b>(29) \$</b>

Round to the nearest whole dollar.  
Do not enter a negative number. If any line item is a negative, enter "0" on that line.

**Subtract line (29) from line (17) and enter the amount in Box C =**

**Box C**  
Net Business Income  
\$

## Section 7 Monthly Household Income and Expense Information

Enter your household's gross monthly income. The information below is for yourself, your spouse, and anyone else who contributes to your household's income. The entire household includes spouse, non-liable spouse, significant other, children, and others who contribute to the household. This is necessary for the IRS to accurately evaluate your offer.

### Monthly Household Income

**Note: Entire household income should also include income that is considered not taxable and may not be included on your tax return.**

Round to the nearest whole dollar.

<b>Primary taxpayer</b>				
Gross Wages	Social Security	Pension(s)	Other Income (e.g. unemployment)	
\$ _____	+ \$ _____	+ \$ _____	+ \$ _____	Total primary taxpayer income = (30) \$
<b>Spouse</b>				
Gross Wages	Social Security	Pension(s)	Other Income (e.g. unemployment)	
\$ _____	+ \$ _____	+ \$ _____	+ \$ _____	Total spouse income = (31) \$
Additional sources of income used to support the household, e.g., non-liable spouse, or anyone else who may contribute to the household income, etc.				(32) \$
Interest and dividends				(33) \$
Distributions (e.g., income from partnerships, sub-S Corporations, etc.)				(34) \$
Net rental income				(35) \$
Net business income from Box C				(36) \$
Child support received				(37) \$
Alimony received				(38) \$
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. <b>Add lines (30) through (38) and enter the amount in Box D =</b>				<b>Box D</b> Total Household Income \$ _____

### Monthly Household Expenses

Enter your average monthly expenses.

**Note: For expenses claimed in boxes (39) and (45) only, you should list the full amount of the allowable standard even if the actual amount you pay is less. You may find the allowable standards at <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Collection-Financial-Standards>.**

Round to the nearest whole dollar.

Food, clothing, and miscellaneous (e.g., housekeeping supplies, personal care products, minimum payment on credit card). A reasonable estimate of these expenses may be used.	(39) \$
Housing and utilities (e.g., rent or mortgage payment and average monthly cost of property taxes, home insurance, maintenance, dues, fees and utilities including electricity, gas, other fuels, trash collection, water, cable television and internet, telephone, and cell phone).	(40) \$
Vehicle loan and/or lease payment(s)	(41) \$
Vehicle operating costs (e.g., average monthly cost of maintenance, repairs, insurance, fuel, registrations, licenses, inspections, parking, tolls, etc.). A reasonable estimate of these expenses may be used.	(42) \$
Public transportation costs (e.g., average monthly cost of fares for mass transit such as bus, train, ferry, taxi, etc.). A reasonable estimate of these expenses may be used.	(43) \$
Health insurance premiums	(44) \$
Out-of-pocket health care costs (e.g. average monthly cost of prescription drugs, medical services, and medical supplies like eyeglasses, hearing aids, etc.)	(45) \$
Court-ordered payments (e.g., monthly cost of any alimony, child support, etc.)	(46) \$
Child/dependent care payments (e.g., daycare, etc.)	(47) \$
Life insurance premiums	(48) \$
Current monthly taxes (e.g., monthly cost of federal, state, and local tax, personal property tax, etc.)	(49) \$

**Section 7 Monthly Household Income and Expense Information (Continued)**

Secured debts (e.g., any loan where you pledged an asset as collateral not previously listed, government guaranteed Student Loan)	(50) \$
Enter the amount of your monthly delinquent State and/or Local Tax payment(s)	(51) \$
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. <b>Add lines (39) through (51) and enter the amount in Box E =</b>	<b>Box E</b> Total Household Expenses \$
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. <b>Subtract Box E from Box D and enter the amount in Box F =</b>	<b>Box F</b> Remaining Monthly Income \$

**Section 8 Calculate Your Minimum Offer Amount**

The next steps calculate your minimum offer amount. The amount of time you take to pay your offer in full will affect your minimum offer amount. Paying over a shorter period of time will result in a smaller minimum offer amount.

**Note: The multipliers below (12 and 24) and the calculated offer amount do not apply if IRS determines you have the ability to pay your tax debt in full within the legal period to collect.**

Round to the nearest whole dollar.

If you will pay your offer in 5 or fewer payments within 5 months or less, multiply "Remaining Monthly Income" (Box F) by 12 to get "Future Remaining Income" (Box G). Do not enter a number less than \$0.

Enter the total from Box F \$	<b>X 12 =</b>	<b>Box G Future Remaining Income</b> \$
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If you will pay your offer in 6 to 24 months, multiply "Remaining Monthly Income" (Box F) by 24 to get "Future Remaining Income" (Box H). Do not enter a number less than \$0.

Enter the total from Box F \$	<b>X 24 =</b>	<b>Box H Future Remaining Income</b> \$
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Determine your minimum offer amount by adding the total available assets from Box A and Box B (if applicable) to the amount in either Box G or Box H.

Enter the amount from Box A plus Box B (if applicable) \$	+	Enter the amount from either Box G or Box H \$	=	<b>Offer Amount</b> Your offer must be more than zero (\$0). Do not leave blank. Use whole dollars only. \$
--	---	---	---	---

**If you cannot pay the Offer Amount shown above due to special circumstances, explain on the Form 656, Offer in Compromise, Section 1, Low Income Certification. You must offer an amount more than \$0.**

**Section 9 Other Information**

**Additional information IRS needs to consider settlement of your tax debt. If you or your business are currently in a bankruptcy proceeding, you are not eligible to apply for an offer.**

Are you the beneficiary of a trust, estate, or life insurance policy?

Yes  No

Are you currently in bankruptcy?

Yes  No

Have you filed bankruptcy in the past 10 years?

Yes  No

Discharge/Dismissal Date (mm/dd/yyyy)

Location Filed

Are you or have you been party to a lawsuit?

Yes  No

If yes, date the lawsuit was resolved: (mm/dd/yyyy)

Are you or have you been party to any lawsuits involving the IRS/United States (including any suits regarding tax matters)?

Yes  No

If yes and the suit included tax debt, provide the types of tax and periods involved.

In the past 10 years, have you transferred any assets for less than their full value?

Yes  No

If yes, provide date, value, and type of asset transferred: (mm/dd/yyyy)

In the past 3 years have you transferred any real property (land, house, etc.)?

Yes  No

If yes, list the type of property, value, and date of the transfer.

Have you lived outside the U.S. for 6 months or longer in the past 10 years?

Yes  No

Do you have any assets or own any real property outside the U.S.?

Yes  No

If yes, provide description, location, and value.



Do you have any funds being held in trust by a third party?

Yes  No If yes, how much \$ Where:

## Section 10

## Signatures

Under penalties of perjury, I declare that I have examined this offer, including accompanying documents, and to the best of my knowledge it is true, correct, and complete.

<b>Signature of Taxpayer</b>	Date (mm/dd/yyyy)
	
<b>Signature of Spouse</b>	Date (mm/dd/yyyy)
	

Remember to include all applicable attachments listed below.

- Copies of the most recent pay stub, earnings statement, etc., from each employer
- Copies of the most recent statement for each investment and retirement account
- Copies of the most recent statement, etc., from all other sources of income such as pensions, Social Security, rental income, interest and dividends (including any received from a related partnership, corporation, LLC, LLP, etc.), court order for child support, alimony, and rent subsidies
- Copies of bank statements for the three most recent months
- Copies of the most recent statement from lender(s) on loans such as mortgages, second mortgages, vehicles, etc., showing monthly payments, loan payoffs, and balances
- List of Notes Receivable, if applicable
- Verification of delinquent State/Local Tax Liability, if applicable
- Documentation to support any special circumstances described in the "Explanation of Circumstances" on Form 656, if applicable
- Attach a Form 2848, *Power of Attorney*, if you would like your attorney, CPA, or enrolled agent to represent you and you do not have a current form on file with the IRS.
- Completed and signed Form 656



**Collection Information Statement for Businesses**

Complete this form if your business is a

- ▶ Corporation
- ▶ Limited Liability Company (LLC) classified as a corporation
- ▶ Partnership
- ▶ Other multi-owner/multi-member LLC

**Note:** If your business is a sole proprietorship or a disregarded single member LLC taxed as a sole proprietor (filing Schedule C, D, E, F, etc.), do not use this form. Instead, complete Form 433-A (OIC) Collection Information Statement for Wage Earners and Self-Employed Individuals. This form should only be used with the Form 656, Offer in Compromise.

Include attachments if additional space is needed to respond completely to any question.

**Section 1 Business Information**

Business Name		Employer Identification Number
Business Physical Address <i>(street, city, state, zip code)</i>		County of Business Location
		Description of Business and DBA or "Trade Name"
Primary Phone ( ) -	Secondary Phone ( ) -	Business Mailing Address <i>(if different from above or Post Office Box number)</i>
Business website address		
Fax Number ( ) -	Does the business outsource its payroll processing and tax return preparation for a fee? <input type="checkbox"/> Yes <input type="checkbox"/> No <small>If yes, list provider name and address in box below <i>(Street, City, State, ZIP Code)</i></small>	
Federal Contractor <input type="checkbox"/> Yes <input type="checkbox"/> No	Total Number of Employees	
Frequency of Tax Deposits	Average Gross Monthly Payroll \$	

**Provide information about all partners, officers, LLC members, major shareholders (foreign and domestic), etc., associated with the business. Include attachments if additional space is needed.**

Last Name	First Name	Title
Percent of Ownership and Annual Salary	Social Security Number - -	Home Address <i>(Street, City, State, ZIP Code)</i>
Primary Phone ( ) -	Secondary Phone ( ) -	
Last Name	First Name	Title
Percent of Ownership and Annual Salary	Social Security Number - -	Home Address <i>(Street, City, State, ZIP Code)</i>
Primary Phone ( ) -	Secondary Phone ( ) -	
Last Name	First Name	Title
Percent of Ownership and Annual Salary	Social Security Number - -	Home Address <i>(Street, City, State, ZIP Code)</i>
Primary Phone ( ) -	Secondary Phone ( ) -	



**Section 2 (Continued) Business Asset Information**

If the business owns more properties, vehicles, or equipment than shown in this form, please list on a separate attachment.

**Real Estate** (Buildings, Lots, Commercial Property, etc.)

Property Address (Street Address, City, State, ZIP Code)	Property Description	Date Purchased	
	Name of Creditor	Date of Final Payment	
	County and Country		
Current Market Value		Minus Loan Balance (mortgages, etc.)	
\$ _____ X .8 = \$ _____		- \$ _____ Total Value of Real Estate =	
(3a) \$			
Property Address (Street Address, City, State, ZIP Code)	Property Description	Date Purchased	
	Name of Creditor	Date of Final Payment	
	County and Country		
Current Market Value		Minus Loan Balance (mortgages, etc.)	
\$ _____ X .8 = \$ _____		- \$ _____ Total Value of Real Estate =	
(3b) \$			
Total value of property(s) listed from attachment [current market value X .8 minus any loan balance(s)] (3c) \$			
<b>Add lines (3a) through (3c) =</b>			<b>(3) \$</b>

**Business Vehicles** (cars, boats, motorcycles, trailers, etc.). If additional space is needed, list on an attachment.

Vehicle Make & Model	Year	Date Purchased	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount	Name of Creditor	Date of Final Payment	
<input type="checkbox"/> Loan	\$			
Current Market Value		Minus Loan Balance		
\$ _____ X .8 = \$ _____		- \$ _____ Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
(4a) \$				
Vehicle Make & Model	Year	Date Purchased	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount	Name of Creditor	Date of Final Payment	
<input type="checkbox"/> Loan	\$			
Current Market Value		Minus Loan Balance		
\$ _____ X .8 = \$ _____		- \$ _____ Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
(4b) \$				
Vehicle Make & Model	Year	Date Purchased	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount	Name of Creditor	Date of Final Payment	
<input type="checkbox"/> Loan	\$			
Current Market Value		Minus Loan Balance		
\$ _____ X .8 = \$ _____		- \$ _____ Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
(4c) \$				
Total value of vehicles listed from attachment [current market value X .8 minus any loan balance(s)] (4d) \$				
<b>Add lines (4a) through (4d) =</b>				<b>(4) \$</b>

## Section 2 (Continued) Business Asset Information

### Other Business Equipment

[If you have more than one piece of equipment, please list on a separate attachment and put the total of all equipment in box (5b)]

Type of equipment	
Current Market Value	Minus Loan Balance
Total value of equipment <i>(if leased or used in the production of income enter 0 as the total value) =</i>	
\$ _____ X .8 = \$ _____	– \$ _____
Total value of equipment listed from attachment [current market value X .8 minus any loan balance(s)]	
	(5a) \$
	(5b) \$
Total value of all business equipment <b>Add lines (5a) and (5b) =</b>	
	<b>(5) \$</b>
Do not include amount on the lines with a letter beside the number. Round to the nearest dollar. Do not enter a negative number. If any line item is a negative number, enter "0" on that line. <b>Add lines (1) through (5) and enter the amount in Box A =</b>	
	<b>Box A</b> Available Equity in Assets \$

## Section 3 Business Income Information

Enter the average gross monthly income of your business. To determine your gross monthly income use the most recent 6-12 months documentation of commissions, invoices, gross receipts from sales/services, etc.; most recent 6-12 months earnings statements, etc., from every other source of income (such as rental income, interest and dividends, or subsidies); or you may use the most recent 6-12 months Profit and Loss (P&L) to provide the information of income and expenses.

**Note: If you provide a current profit and loss statement for the information below, enter the total gross monthly income in Box B below. Do not complete lines (6) - (10). Entire household income should also include income that is considered as not taxable and may not be included on your tax return.**

Gross receipts	(6) \$
Gross rental income	(7) \$
Interest income	(8) \$
Dividends	(9) \$
Other income <i>(Specify on attachment)</i>	(10) \$
Round to the nearest dollar. Do not enter a negative number. If any line item is a negative number, enter "0" on that line. <b>Add lines (6) through (10) and enter the amount in Box B =</b>	
	<b>Box B</b> Total Business Income \$

## Section 4 Business Expense Information

Enter the average gross monthly expenses for your business using your most recent 6-12 months statements, bills, receipts, or other documents showing monthly recurring expenses.

**Note: If you provide a current profit and loss statement for the information below, enter the total monthly expenses in Box C below. Do not complete lines (11) - (20).**

Materials purchased <i>(e.g., items directly related to the production of a product or service)</i>	(11) \$
Inventory purchased <i>(e.g., goods bought for resale)</i>	(12) \$
Gross wages and salaries	(13) \$
Rent	(14) \$
Supplies <i>(items used to conduct business and used up within one year, e.g., books, office supplies, professional equipment, etc.)</i>	(15) \$
Utilities/telephones	(16) \$
Vehicle costs <i>(gas, oil, repairs, maintenance)</i>	(17) \$
Insurance <i>(other than life)</i>	(18) \$
Current taxes <i>(e.g., real estate, state, and local income tax, excise franchise, occupational, personal property, sales and employer's portion of employment taxes, etc.)</i>	(19) \$
Other expenses <i>(e.g., secured debt payments. Specify on attachment. Do not include credit card payments)</i>	(20) \$
Round to the nearest dollar. Do not enter a negative number. If any line item is a negative number, enter "0" on that line. <b>Add lines (11) through (20) and enter the amount in Box C =</b>	
	<b>Box C</b> Total Business Expenses \$
Round to the nearest dollar. Do not enter a negative number. If any line item is a negative number, enter "0" on that line. <b>Subtract Box C from Box B and enter the amount in Box D =</b>	
	<b>Box D</b> Remaining Monthly Income \$

**Section 5 Calculate Your Minimum Offer Amount**

The next steps calculate your minimum offer amount. The amount of time you take to pay your offer in full will affect your minimum offer amount. Paying over a shorter period of time will result in a smaller minimum offer amount.

If you will pay your offer in 5 or fewer payments within 5 months or less, multiply "Remaining Monthly Income" (Box D) by 12 to get "Future Remaining Income." Do not enter a number less than zero.

**Note: The multipliers below (12 and 24) and the calculated offer amount do not apply if IRS determines you have the ability to pay your tax debt in full within the legal period to collect.**

Round to the nearest whole dollar.

Enter the total from Box D \$	X 12 =	Box E Future Remaining Income \$
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If you will pay your offer in 6 to 24 months, multiply "Remaining Monthly Income" (Box D) by 24 to get "Future Remaining Income". Do not enter a number less than zero.

Enter the total from Box D \$	X 24 =	Box F Future Remaining Income \$
----------------------------------	--------	-------------------------------------

Determine your minimum offer amount by adding the total available assets from Box A to the amount in either Box E or Box F. Your offer amount must be more than zero.

Enter the amount from Box A * \$	+	Enter the amount from either Box E or Box F \$	=	<b>Offer Amount</b> Your offer must be more than zero (\$0). Do not leave blank. Use whole dollars only. \$
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**You must offer an amount more than \$0.**

\*You may exclude any equity in income producing assets shown in Section 2 of this form.

**Section 6 Other Information**

**Additional information IRS needs to consider settlement of your tax debt. If this business is currently in a bankruptcy proceeding, the business is not eligible to apply for an offer.**

Is the business currently in bankruptcy?

Yes  No

Has the business ever filed bankruptcy?

Yes  No

**If yes, provide:**

Date Filed (mm/dd/yyyy) \_\_\_\_\_ Date Dismissed or Discharged (mm/dd/yyyy) \_\_\_\_\_  
 Petition No. \_\_\_\_\_ Location Filed \_\_\_\_\_

Does this business have other business affiliations (e.g., subsidiary or parent companies)?

Yes  No

**If yes, list the Name and Employer Identification Number:**

Do any related parties (e.g., partners, officers, employees) owe money to the business?

Yes  No

Is the business currently, or in the past, a party to a lawsuit?

Yes  No

**If yes, date the lawsuit was resolved:**

Are you or have you been party to any lawsuits involving the IRS/United States (including any suits regarding tax matters)?

Yes  No

**If yes and the suit included tax debt, provide the types of tax and periods involved.**

In the past 10 years, has the business transferred any assets for less than their full value?

Yes  No

**If yes, provide date, value, and type of asset transferred:**

In the past 3 years have you transferred any real property (land, house, etc.)?

Yes  No

If yes, list the type of property, value, and date of the transfer.

Has the business been located outside the U.S. for 6 months or longer in the past 10 years?

Yes  No

Do you have any assets or own any real property outside the U.S.?

Yes  No

If yes, please provide description, location, and value.

Does the business have any funds being held in trust by a third party?

Yes  No **If yes**, how much \$ \_\_\_\_\_ Where: \_\_\_\_\_

Does the business have any lines of credit?


Yes  No **If yes**, credit limit \$ \_\_\_\_\_ Amount owed \$ \_\_\_\_\_

What property secures the line of credit? \_\_\_\_\_

## Section 7

## Signatures

**Under penalties of perjury, I declare that I have examined this offer, including accompanying documents, and to the best of my knowledge it is true, correct, and complete.**

Signature of Taxpayer	Title	Date (mm/dd/yyyy)
		

**Remember to include all applicable attachments from list below.**

- A current Profit and Loss statement covering at least the most recent 6–12 month period, if appropriate.
- Copies of the three most recent statements for each bank, investment, and retirement account
- If an asset is used as collateral on a loan, include copies of the most recent statement from lender(s) on loans, monthly payments, loan payoffs, and balances.
- Copies of the most recent statement of outstanding notes receivable.
- Copies of the most recent statements from lenders on loans, mortgages (including second mortgages), monthly payments, loan payoffs, and balances.
- Copies of relevant supporting documentation of the special circumstances described in the “Explanation of Circumstances” on Form 656, if applicable.
- Attach a Form 2848, Power of Attorney, if you would like your attorney, CPA, or enrolled agent to represent you and you do not have a current form on file with the IRS. Make sure the current tax year is included.
- Completed and signed Form 656

# Offer in Compromise

**▶ To: Commissioner of Internal Revenue Service**

**IRS Received Date**

In the following agreement, the pronoun "we" may be assumed in place of "I" when there are joint liabilities and both parties are signing this agreement.

I submit this offer to compromise the tax liabilities plus any interest, penalties, additions to tax, and additional amounts required by law for the tax type and period(s) marked in Section 2 or Section 3 below.

**Did you use the Pre-Qualifier tool located on our website at [http://irs.treasury.gov/oic\\_pre\\_qualifier/](http://irs.treasury.gov/oic_pre_qualifier/) prior to filling out this form?**

Yes  No

**Note: The use of the Pre-Qualifier tool is not mandatory before sending in your offer. However, it is recommended.**

Include the \$186 application fee and initial payment (*personal check, cashier's check, or money order*) with your Form 656. You must also include the completed Form 433-A (OIC) and/or 433-B (OIC) and supporting documentation. You should fill out either Section 1 or Section 2, but not both, depending on the tax debt you are offering to compromise.

## Section 1 Individual Information (Form 1040 filers)

If you are a 1040 filer, an individual with personal liability for Excise tax, individual responsible for Trust Fund Recovery Penalty, self-employed individual, individual personally responsible for partnership liabilities, and/or an individual who operates as a single member LLC or a disregarded entity taxed as a sole proprietorship you should fill out Section 1. You must also include all required documentation including the Form 433-A (OIC), the \$186 application fee, and initial payment.

Your First Name, Middle Initial, Last Name	Social Security Number (SSN) - -
If a Joint Offer, Spouse's First Name, Middle Initial, Last Name	Social Security Number (SSN) - -

Your Physical Home Address (*Street, City, State, ZIP Code*)

---

Your Home Mailing Address (*if different from above or Post Office Box number*)

Is this a new address?  Yes  No

If yes, would you like us to update our records to this address?  Yes  No

Employer Identification Number  
-

### Individual Tax Periods

#### If Your Offer is for Individual Tax Debt Only

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

**Note:** If you need more space, use attachment and title it "Attachment to Form 656 dated \_\_\_\_\_." Make sure to sign and date the attachment.

**Low-Income Certification (Individuals and Sole Proprietors Only)**

Do you qualify for Low-Income Certification? You qualify if your gross monthly household income is less than or equal to the amount shown in the chart below based on your family size and where you live. If you qualify, you are not required to submit any payments during the consideration of your offer. If your business is other than a sole proprietor or disregarded single member LLC taxed as a sole proprietor and you owe employment taxes after January 1, 2009, you cannot qualify for the waiver. IRS will determine whether the household income (at the time of the offer submission or at the time the offer is processed, whichever is lower) and family size support the decision not to pay the application fee.

Check this box if your household's gross monthly income is equal to or less than the monthly income shown in the table below.

Size of family unit	48 contiguous states and D.C.	Hawaii	Alaska
1	\$2,513	\$2,888	\$3,138
2	\$3,383	\$3,890	\$4,227
3	\$4,254	\$4,892	\$5,317
4	\$5,125	\$5,894	\$6,406
5	\$5,996	\$6,896	\$7,496
6	\$6,867	\$7,898	\$8,585
7	\$7,738	\$8,900	\$9,675
8	\$8,608	\$9,902	\$10,765
For each additional person, add	\$871	\$1,002	\$1,090

**Section 2 Business Information (Form 1120, 1065, etc., filers)**

If your business is a Corporation, Partnership, LLC, or LLP and you want to compromise those tax debts, you must complete this section. You must also include all required documentation including the Form 433-B (OIC), and a separate \$186 application fee, and initial payment.

Business Name \_\_\_\_\_

Business Physical Address (Street, City, State, ZIP Code) \_\_\_\_\_

Business Mailing Address (Street, City, State, ZIP Code) \_\_\_\_\_

Employer Identification Number (EIN) _____	Name and Title of Primary Contact _____	Telephone Number ( ) - _____
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**Business Tax Periods**

**If Your Offer is for Business Tax Debt Only**

- 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) \_\_\_\_\_
- Other Federal Tax(es) [specify type(s) and period(s)] \_\_\_\_\_

**Note:** If you need more space, use attachment and title it "Attachment to Form 656 dated \_\_\_\_\_." Make sure to sign and date the attachment.

**Section 3 Reason for Offer**

- Doubt as to Collectibility** - I do not have enough in assets and income to pay the full amount.
- Exceptional Circumstances (Effective Tax Administration)** - I owe this amount and have enough 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. I am submitting a written narrative explaining my circumstances.

**Explanation of Circumstances (Add additional pages, if needed)** – The IRS understands that there are unplanned events or special circumstances, such as serious illness, where paying the full amount or the minimum offer amount might impair your ability to provide for yourself and your family. If this is the case and you can provide documentation to prove your situation, then your offer may be accepted despite your financial profile. Describe your situation below and attach appropriate documents to this offer application.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



**Section 4 Payment Terms**

Check one of the payment options below to indicate how long it will take you to pay your offer in full. You must offer more than \$0. The offer amount should be in whole dollars only.

**Lump Sum Cash**

Check here if you will pay your offer in 5 or fewer payments within 5 or fewer months from the date of acceptance:

Enclose a check for 20% of the offer amount (waived if you are an individual or sole proprietor and met the requirements for Low Income Certification) and fill in the amount(s) of your future payment(s).

<b>Total Offer Amount</b>	-	<b>20% Initial Payment</b>	=	<b>Remaining Balance</b>
\$	-	\$	=	\$
<b>You may pay the remaining balance in one payment after acceptance of the offer or up to five payments, but cannot exceed 5 months.</b>				
Amount of payment	\$	payable within		Month after acceptance
Amount of payment	\$	payable within		Months after acceptance
Amount of payment	\$	payable within		Months after acceptance
Amount of payment	\$	payable within		Months after acceptance
Amount of payment	\$	payable within		Months after acceptance

**Periodic Payment**

Check here if you will pay your offer in full in 6 to 24 months.

Enter the amount of your offer \$ \_\_\_\_\_

**Note: The total amount must equal all of the proposed payments including the first and last payments.**

Enclose a check for the first month's payment.

\$ \_\_\_\_\_ is included with this offer then \$ \_\_\_\_\_ will be sent in on the \_\_\_\_\_ day of each month thereafter for a total of \_\_\_\_\_ months with a final payment of \$ \_\_\_\_\_ to be paid on the \_\_\_\_\_ day of the \_\_\_\_\_ month.

**Note: The total months may not exceed a total of 24 months, including the first payment. Your first payment is considered to be month 1; therefore, the remainder of the payments must be made within 23 months for a total of 24.**

**You must continue to make these monthly payments while the IRS is considering the offer (waived if you met the requirements for Low Income Certification). Failure to make regular monthly payments will cause your offer to be returned with no appeal rights.**

**IRS Use Only**

Attached is an addendum dated (insert date) \_\_\_\_\_ setting forth the amended offer amount and payment terms.

**Section 5 Designation of Payment, Electronic Federal Transfer Payment System (EFTPS), and Deposit**

**Designation of Payment**

If you want your payment to be applied to a specific tax year and a specific tax debt, such as a Trust Fund Recovery Penalty, please tell us the tax year/quarter \_\_\_\_\_. If you do not designate a preference, we will apply any money you send to the government's best interest. If you want to designate any payments not included with this offer, you must designate a preference for each payment at the time the payment is made. However, you cannot designate the \$186 application fee or any payment after the IRS accepts the offer.

**Note: Payments submitted with your offer cannot be designated as estimated tax payments for a current or past tax year.**

**Electronic Federal Transfer Payment System (EFTPS)**

Did you make your payment through the [Electronic Federal Tax Payment System \(EFTPS\)](#)?

Yes  No

If yes, provide the amount of your payment(s) \$ \_\_\_\_\_, the date paid \_\_\_\_\_, and the 15 digit Electronic Funds Transfer (EFT) Number \_\_\_\_\_.

**Note: Any initial payments paid through the EFTPS system must be made the same date your offer is mailed.**

**Deposit**

If you are paying **more than** the initial payment with your offer and you want any part of that payment treated as a deposit, check the box below and insert the amount.

My payment of \$ \_\_\_\_\_ includes the \$186 application fee and \$ \_\_\_\_\_ for my first month's payment. I am requesting the additional amount of \$ \_\_\_\_\_ be held as a deposit.

If your offer is rejected, returned, or withdrawn please check one of the boxes below and let us know what you would like us to do with your deposit.

Return it to you (Initial here \_\_\_\_\_)  Apply it to your tax debt (Initial here \_\_\_\_\_)

**CAUTION: Do NOT designate the amounts sent in with your offer to cover the initial payment and application fee as "deposits." Doing so will result in the return of your offer with no right to appeal.**

## Section 6 Source of Funds, Making Your Payment, Filing Requirements, and Tax Payment Requirements

### Source of Funds

Tell us where you will obtain the funds to pay your offer. You may consider borrowing from friends and/or family, taking out a loan, or selling assets.

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### Making Your Payment

Include separate checks for the payment and application fee.

Make checks payable to the "United States Treasury" and attach to the front of your Form 656, Offer in Compromise. All payments must be in U.S. dollars. **Do not send cash.** Send a separate application fee with each offer; do not combine it with any other tax payments, as this may delay processing of your offer. You may also make payments through the [Electronic Federal Tax Payment System \(EFTPS\)](#). Your offer will be returned to you if the application fee and the required payment are not included, or if your check is returned for insufficient funds.

### Filing Requirements

I have filed all required tax returns.

I was not required to file a tax return for the following years: \_\_\_\_\_

**Note: Do not include original tax returns with your offer. You must either electronically file your tax return or mail it to the appropriate IRS processing office before sending in your offer.**

### Tax Payment Requirements (check all that apply)

I have made all required estimated tax payments for the current tax year.

I am not required to make any estimated tax payments for the current tax year.

I have made all required federal tax deposits for the current quarter.

I am not required to make any federal tax deposits for the current quarter.

## Section 7

## Offer Terms

**By submitting this offer, I have read, understand and agree to the following terms and conditions:**

### Terms, Conditions, and Legal Agreement

### IRS will keep my payments, fees, and some refunds.

a) I request that the IRS accept the offer amount listed in this offer application as payment of my outstanding tax debt (including interest, penalties, and any additional amounts required by law) as of the date listed on this form. I authorize the IRS to amend Section 1 and/or Section 2 if I failed to list any of my assessed tax debt or tax debt assessed before acceptance of my offer. I also authorize the IRS to amend Section 1 and/or Section 2 by removing any tax years on which there is currently no outstanding liability. I understand that my offer will be accepted, by law, unless IRS notifies me otherwise, in writing, within 24 months of the date my offer was received by IRS. I also understand that if any tax debt that is included in the offer is in dispute in any judicial proceeding it/ they will not be included in determining the expiration of the 24-month period.

b) I voluntarily submit the payments made on this offer and understand that they will not be returned even if I withdraw the offer or the IRS rejects or returns the offer. Unless I designate how to apply each required payment in Section 5, the IRS will apply my payment in the best interest of the government, choosing which tax years and tax debts to pay off. The IRS will also keep my application fee unless the offer is not accepted for processing.

c) The IRS will keep any refund, including interest, that I might be due for tax periods extending through the calendar year in which the IRS accepts my offer. I cannot designate that the refund be applied to estimated tax payments for the following year or the accepted offer amount. If I receive a refund after I submit this offer for any tax period extending through the calendar year in which the IRS accepts my offer, I will return the refund within 30 days of notification. The refund offset does not apply to offers accepted under the provisions of Effective Tax Administration or Doubt as to Collectibility with special circumstances based on public policy/equity considerations.

d) I understand that the amount I am offering may not include part or all of an expected or current tax refund, money already paid, funds attached by any collection action, or anticipated benefits from a capital or net operating loss.

e) The IRS will keep any monies it has collected prior to this offer. Under section § 6331(a) the IRS may levy up to the time that the IRS official signs and acknowledges my offer as pending, which is accepted for processing and the IRS may keep any proceeds arising from such a levy. No levy will be issued on individual shared responsibility payments. However, if the IRS served a continuous levy on wages, salary, or certain federal payments under sections 6331(e) or (h), then the IRS could choose to either retain or release the levy.

f) The IRS will keep any payments that I make related to this offer. I agree that any funds submitted with this offer will be treated as a payment unless I checked the box to treat any amount more than the required initial payment as a deposit. Only amounts that exceed the mandatory payments can be treated as a deposit. I also agree that any funds submitted with periodic payments made after the submission of this offer and prior to the acceptance, rejection, or return of this offer will be treated as payments, unless I identify the amount more than the required payment as a deposit on the check submitted with the corresponding periodic payment. A deposit will be returned if the offer is rejected, returned, or withdrawn. I understand that the IRS will not pay interest on any deposit.

g) If my offer is accepted and my final payment is more than the agreed amount by \$50 or less, the IRS will not return the difference, but will apply the entire payment to my tax debt. If my final payment exceeds the agreed amount by more than \$50, the IRS will return the excess payment to me.

**Section 7 (Continued)****Offer Terms****Pending status of an offer and right to appeal**

h) Once an authorized IRS official signs this form, my offer is considered pending as of that signature date and it remains pending until the IRS accepts, rejects, returns, or I withdraw my offer. An offer is also considered pending for 30 days after any rejection of my offer by the IRS, and during the time that any rejection of my offer is being considered by the Appeals Office. An offer will be considered withdrawn when the IRS receives my written notification of withdrawal by personal delivery or certified mail or when I inform the IRS of my withdrawal by other means and the IRS acknowledges in writing my intent to withdraw the offer.

i) I waive the right to an Appeals hearing if I do not request a hearing in writing within 30 days of the date the IRS notifies me of the decision to reject the offer.

**I must comply with my future tax obligations and understand I remain liable for the full amount of my tax debt until all terms and conditions of this offer have been met.**

j) I will comply with all provisions of the internal revenue laws, including requirements to timely file tax returns and timely pay taxes for the five year period beginning with the date of acceptance of this offer and ending through the fifth year, including any extensions to file and pay. I agree to promptly pay any liabilities assessed after acceptance of this offer for tax years ending prior to acceptance of this offer that were not otherwise identified in Section 1 or Section 2 of this agreement. I also understand that during the five year period I cannot request an installment agreement for unpaid taxes incurred before or after the accepted offer. If this is an offer being submitted for joint tax debt, and one of us does not comply with future obligations, only the non-compliant taxpayer will be in default of this agreement. An accepted offer will not be defaulted solely due to the assessment of an individual shared responsibility payment. I also understand that during the five year period I cannot request an installment agreement for unpaid taxes incurred before or after the accepted offer.

k) I agree that I will remain liable for the full amount of the tax liability, accrued penalties and interest, until I have met all of the terms and conditions of this offer. Penalty and interest will continue to accrue until all payment terms of the offer have been met. If I file for bankruptcy before the terms and conditions of the offer are met, I agree that the IRS may file a claim for the full amount of the tax liability, accrued penalties and interest, and that any claim the IRS files in the bankruptcy proceeding will be a tax claim.

l) Once the IRS accepts my offer in writing, I have no right to challenge the tax debt(s) in court or by filing a refund claim or refund suit for any liability or period listed in Section 1 or Section 2, even if I default the terms of the accepted offer.

**I understand what will happen if I fail to meet the terms of my offer (e.g., default).**

m) If I fail to meet any of the terms of this offer, the IRS may revoke the certificate of release of federal tax lien and file a new notice of federal tax lien; levy or sue me to collect any amount ranging from one or more missed payments to the original amount of the tax debt (less payments made) plus penalties and interest that have accrued from the time the underlying tax liability arose. The IRS will continue to add interest, as required by section § 6601 of the Internal Revenue Code, on the amount the IRS determines is due after default Shared responsibility payments are excluded from levy.

**I agree to waive time limits provided by law.**

n) To have my offer considered, I agree to the extension of the time limit provided by law to assess my tax debt (statutory period of assessment). I agree that the date by which the IRS must assess my tax debt will now be the date by which my debt must currently be assessed plus the period of time my offer is pending plus one additional year if the IRS rejects, returns, or terminates my offer or I withdraw it. (Paragraph (h) of this section defines pending and withdrawal.) I understand that I have the right not to waive the statutory period of assessment or to limit the waiver to a certain length or certain periods or issues. I understand, however, that the IRS may not consider my offer if I refuse to waive the statutory period of assessment or if I provide only a limited waiver. I also understand that the statutory period for collecting my tax debt will be suspended during the time my offer is pending with the IRS, for 30 days after any rejection of my offer by the IRS, and during the time that any rejection of my offer is being considered by the Appeals Office.

**I understand the IRS may file a Notice of Federal Tax Lien on my property.**

o) The IRS may file a Notice of Federal Tax Lien during consideration of the offer. The IRS may file a Notice of Federal Tax Lien to protect the Government's interest on offers that will be paid over time. This tax lien will be released 30 days after the payment terms have been satisfied and the payment has been verified. If the offer is accepted, the tax lien will be released within 30 days of when the payment terms have been satisfied and the payment has been verified. The time it takes to transfer funds to the IRS from commercial institutions varies based on the form of payment. The IRS will not file a Notice of Federal Tax Lien on any individual shared responsibility debt.

**Correction Agreement**

p) I authorize IRS, to correct any typographical or clerical errors or make minor modifications to my/our Form 656 that I signed in connection to this offer.

**I authorize the IRS to contact relevant third parties in order to process my offer.**

q) By authorizing the IRS to contact third parties, I understand that I will not be notified of which third parties the IRS contacts as part of the offer application process, including tax periods that have not been assessed, as stated in §7602 (c) of the Internal Revenue Code. In addition, I authorize the IRS to request a consumer report on me from a credit bureau.

**I am submitting an offer as an individual for a joint liability.**

r) I understand if the liability sought to be compromised is the joint and individual liability of myself and my co-obligor(s) and I am submitting this offer to compromise my individual liability only, then if this offer is accepted, it does not release or discharge my co-obligor(s) from liability. The United States still reserves all rights of collection against the co-obligor(s).

**Shared Responsibility Payment (SRP)**

s) If your offer includes any shared responsibility payment (SRP) amount that you owe for not having minimum essential health coverage for you and, if applicable, your dependents per Internal Revenue Code Section 5000A - Individual shared responsibility payment, it is not subject to penalties, except applicable bad check penalty, or to lien and levy enforcement actions. However, interest will continue to accrue until you pay the total SRP balance due. We may apply your federal tax refunds to the SRP amount that you owe until it is paid in full.

<b>IRS Use Only.</b> I accept the waiver of the statutory period of limitations on assessment for the Internal Revenue Service, as described in Section 7(n).		
Signature of Authorized Internal Revenue Service Official	Title	Date (mm/dd/yyyy)

**Section 8 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.**

<b>Signature of Taxpayer/Corporation Name</b>	Phone Number	Today's Date (mm/dd/yyyy)

By checking this box you are authorizing the IRS to contact you at the telephone number listed above and leave detailed messages concerning this offer on your voice mail or answering machine.

<b>Signature of Spouse/Authorized Corporate Officer</b>	Phone Number	Today's Date (mm/dd/yyyy)

By checking this box you are authorizing the IRS to contact you at the telephone number listed above and leave detailed messages concerning this offer on your voice mail or answering machine.

**Section 9 Paid Preparer Use Only**

Signature of Preparer	Phone Number	Today's Date (mm/dd/yyyy)

By checking this box you are authorizing the IRS to contact you at the telephone number listed above and leave detailed messages concerning this offer on your voice mail or answering machine.

Name of Paid Preparer	Preparer's CAF no. or PTIN

Firm's Name (or yours if self-employed), Address, and ZIP Code

**If you would like to have someone represent you during the offer investigation, include a valid, signed [Form 2848](#) or [8821](#) with this application or a copy of a previously filed form. You should also include the current tax year.**

**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. You are not required to make an offer; 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 9 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.

## APPLICATION CHECKLIST

Review the entire application using the Application Checklist below. Include this checklist with your application.

### Forms 433-A (OIC), 433-B (OIC), and 656

- Did you complete all fields and sign all forms?
- Did you make an offer amount that is equal to the offer amount calculated on the Form 433-A (OIC) or Form 433-B (OIC)? If not, did you describe the special circumstances that are leading you to offer less than the minimum in the “Explanation of Circumstances” Section 3 of Form 656, and did you provide supporting documentation of the special circumstances?
- Have you filed all required tax returns and received a bill or notice of balance due?
- Did you select a payment option on Form 656?
- Did you sign and attach the Form 433-A (OIC), if applicable?
- Did you sign and attach the Form 433-B (OIC), if applicable?
- Did you sign and attach the Form 656?
- If you are making an offer that includes business and individual tax debts, did you prepare a separate Form 656 package (including separate financial statements, supporting documentation, application fee, and initial payment)?

### Supporting documentation and additional forms

- Did you include photocopies of all required supporting documentation?
- If you want a third party to represent you during the offer process, did you include a Form 2848 or Form 8821 unless one is already on file? Does it include the current tax year?
- Did you provide a letter of testamentary or other verification of person(s) authorized to act on behalf of the estate or deceased individual?

### Payment

- Did you include a check or money order made payable to the “United States Treasury” for the initial payment? (Waived if you meet Low Income Certification guidelines—see Form 656.)
- Did you include a separate check or money order made payable to the “United States Treasury” for the \$186 application fee? (Waived if you meet Low Income Certification guidelines—see Form 656.)

### Mail your application package to the appropriate IRS facility

Mail the Form 656, 433-A (OIC) and/or 433-B (OIC), and related financial document(s) to the appropriate IRS processing office for your state. You may wish to send it by Certified Mail so you have a record of the date it was mailed.

### If you reside in:

AK, AL, AR, AZ, CO, FL, GA, HI, ID, KY, LA, MS, NC, NM,  
NV, OK, OR, TN, TX, UT, WA, WI

CA, CT, DE, IA, IL, IN, KS, MA, MD, ME, MI, MN, MO, MT,  
ND, NE, NH, NJ, NY, OH, PA, RI, SC, SD, VT, VA, WY,  
WV; DC, PR, or a foreign address

### Mail your application to:

Memphis IRS Center COIC Unit  
P.O. Box 30803, AMC  
Memphis, TN 38130-0803  
1-866-790-7117

Brookhaven IRS Center COIC Unit  
P.O. Box 9007  
Holtsville, NY 11742-9007  
1-866-611-6191





