

TRI Tax Resolution Institute
...where your client's tax debt is your power!

“Busy Season”
...all year long

(800) 658-7590

www.taxresolutioninstitute.org

Our speakers



Peter Y. Stephan
TRI - Director



Norman J. Kreisman
TRI – Tax Attorney



Matthew S. Cohen
TRI – CSO



Tyler Howes
Canopy

(800) 658-7590

www.taxresolutioninstitute.org

TRI Essentials 250A

Why are we here today?

The Tax Resolution Institute prides itself in assisting accounting, legal and other professionals resolve their client's tax problems and grow their businesses

Take advantage of one of our many programs

- We help you make more money
- We teach you how to become a tax resolution specialist
- We become your partner working side-by-side to fix your client's IRS and State income, payroll (collection issues) and tax audit issues
- Or...we become your trusted referral source

What will be covered today

- Review of day 1
- Advanced offers in compromise
- Taxes and bankruptcy
- Selling your services
- Canopy
- Innocent Spouse
- Appeals (various types)
- IRS criminal investigation (CI)

Today's Keynote Speaker



Peter Y. Stephan, CPA
Director of the Tax Resolution
Institute

(800) 658-7590

www.taxresolutioninstitute.org

WHY TAX RESOLUTION?

26 Million of 153 Million U.S. taxpayers...

Can't afford to pay
or disagree with the amount they owe the IRS

Day 1 Recap

- Solving income and payroll taxes
- Sequence of events
- Installment Agreements
- Offers in compromise (basics)
- Low Hanging Fruit
- Marketing
- Audits
- Etc.

Polling Question 1

Which type of client issues do you encounter most often?

Selected Day One Questions

submitted by seminar and webcast participants

Advanced Offers in Compromise

Advanced Offers in Compromise

Overview

- Today we will look into the intricacies of an offer in compromise
- You will learn the finer details that make the difference in having an offer accepted or not

Story Time

Story

- “Al”
- Owes \$4,000,000 to the IRS
- Owes \$400,000 to the State
- 70 years old

so what happened...

Story Time

Settled for...

- \$5,000 to the IRS
- \$13,000 to the State
- \$10,000 in fees

Moral

- A good result but should have filed for bankruptcy

Al's accepted
IRS offer in
compromise

Amount Owed: \$4,240,000

Department of the Treasury
INTERNAL REVENUE SERVICE
AMC-Stop 880
PO Box 37083 4
Memphis, TN 38130-0834

Date of this Letter: 6/24/2007
Person to Contact: Beverly
Robinson Employee #: 49-02054
Phone#: (901)546-4803
Taxpayer ID#: [REDACTED]
Offer Number: 1000608959

Dear Mr. & Mrs. [REDACTED]

We have accepted your offer in compromise signed and dated by you on 04/19/2007. The date of acceptance is the date of this letter and our acceptance is subject to the terms and conditions on the enclosed Form 656, Offer in Compromise.

Please note that the conditions of the offer require you to file and pay all required taxes for five tax years or the period of time payments are being made on the offer, whichever is longer. This will begin on the date shown in the upper right hand corner of this letter.

Additionally, please be aware that the conditions of the offer include the provision that as additional consideration for the offer, we will retain any refundable credits that you may be entitled to receive for 2007 or for each of the tax years. This includes refunds you receive in 2008 for any payments you made toward tax year 2007 or toward earlier tax years. The Notice of Federal Tax Lien will be released when the offer amount is paid in full.

If you are required to make any payments under this agreement, make your check or money order payable to the United States Treasury and send it to:

Internal Revenue Service
P.O. Box 24015
Fresno, CA 93 779

Please send all other correspondence to:

Internal Revenue Service PO
Box 77 Memphis, TN 38101-0077

You must promptly notify the Internal Revenue Service of any change in your address or marital status. This will ensure we have the proper address to advise you of the status of your offer.

continued on next page

Compromised for \$5,000

AI's accepted CA FTB offer in compromise



member John Chiang
member Judy Chu, Ph.D.
member Michael C. Genest

State of California
Franchise Tax Board

Owed \$462,011

12.19.2008

Stephan & Stein, Inc., CPAs
Peter Stephan
21700 Oxnard Street, Suite 1160
Woodland Hills CA 91367

In Reply Refer To:
622:081:726

Subject:	Offer in Compromise
Taxpayers:	[REDACTED]
Account Number:	110 94283 02
Tax Years:	1994-1997,2000,2004
Liability:	\$462,011.82
Offer:	\$13,000.00

Dear Mr. Stephan,

The Franchise Tax Board has accepted your Offer in Compromise for the liability owed for the 1994-1997,2000, and 2004 tax years. This letter shall serve as their confirmation of acceptance and should be retained in their records.

We have made all necessary adjustments to their account and have released all liens. Copies of the lien release documents are enclosed.

Please note that pursuant to Revenue and Taxation Code Section 19443, the terms and conditions for acceptance of an offer include, but are not limited to, requirements that he:

- File required returns and pay all tax liabilities in a timely manner in the future.
- Comply with all terms and conditions relative to the offer, including the requirements of any collateral agreement signed as consideration of acceptance of this offer. If they are required to make any payments pursuant to a collateral agreement, please make the check or money order payable to the Franchise Tax Board and send it to:

FRANCHISE TAX BOARD
Offer in Compromise Group, MS A-453
P. O. Box 2966
Rancho Cordova, CA 95741-2966

Compromised for \$13,000

Three types of offers...

Doubt as to Collectability

- Taxpayer is unable to pay their tax liability within the remaining collection statute

Doubt as to Liability

- The taxpayer is not responsible for paying the tax liability in question and should not have been assessed in the first place

Effective Tax Administration

- The taxpayer owes the tax, has the ability to pay (i.e. equity in their home) but collecting from the taxpayer would be unjust

Polling Question 2

Have you ever submitted an offer in compromise for doubt as to liability?

Doubt as to Collectability

Doubt as to Collectability

When and how should you submit an offer?

Things to consider

- How much does the taxpayer owe (cost vs benefit)?
- How much time is left on the collection statute?
- What events toll the collection statute
- What is the value of the taxpayer's assets
- Did the taxpayer dissipate assets when taxes were owed?

Doubt as to Collectability

More things to consider

- Compare what a taxpayer would pay in monthly installment payments vs a lump sum offer
- Will the taxpayer be able to remain in compliance for 5 years following acceptance of the offer
- Is the taxpayer's income expected to change significantly during the collection statute?
- Are the taxes more than 3 years old?

Doubt as to Collectability

How much does the taxpayer owe?

- Does the work warrant your fees?
- A properly prepared offer should take no more than 15 hours to complete assuming client is cooperative and offer gets accepted in 1st round
- An offer can exceed \$20,000 in fees if in addition there is a State offer, the client is uncooperative or the offer must be appealed

Doubt as to Collectability

How much time is left on the collection statute?

- The IRS has 10 years from the date of assessment to actively collect against a taxpayer
- The following events toll (freeze) the statute for collection:
 - Prior submission of an offer in compromise
 - Prior bankruptcy filing
 - CAP/CDP request
 - Living outside the US for an extended period of time

Doubt as to Collectability

How much time is left on the collection statute?

- If a taxpayer does not have substantial equity in real property for which a Federal tax lien can attach, it may make sense to submit a partial-pay installment agreement in lieu of an offer if the remaining life in the statute is short enough
- The collection statute should be considered for other alternatives including filing bankruptcy

Doubt as to Collectability

What is the value of the taxpayer's assets?

- It is imperative to weigh the value of assets as well as to consider the amount the taxpayer will pay in monthly disposable income when considering whether to submit an offer rather than an installment agreement
- If the taxpayer has assets with substantial value, they may be forced to liquidate at least some of their assets to pay for the offer
- The IRS may ignore the value of some assets when negotiating an installment agreement. This is not the case with an offer.

Doubt as to Collectability

Did the taxpayer dissipate assets when taxes were owed?

- It is important to ask this question to your client.
- In many instances the IRS asserts that the taxpayer dissipated assets
- Some examples of the dissipation of assets include:
 - Taking money from a refinance of real estate
 - Cashing out an investment or retirement account
 - Gifting proceeds when taxes are due
 - Selling assets such as a boat or motorhome and spending the proceeds

Doubt as to Collectability

Compare what a taxpayer would pay in monthly installment payments vs a lump sum offer

- As part of considering the remaining life of the collection statute, compare how much a taxpayer will pay in aggregate installment payments compared to a lump sum offer
- If a taxpayer has real property with equity, the IRS will remove the lien if the client's offer is accepted
- Be careful when recommending an installment agreement as a lien may remain in effect after the installment agreement is complete.

Doubt as to Collectability

Will the taxpayer be able to remain in compliance for 5 years following acceptance of the offer?

- Can the taxpayer afford your fees?
- Can the taxpayer afford the cost of the offer?
- Will the taxpayer be diligent in the preparation of his or her tax returns for 5 years from the date of acceptance?
- Will the taxpayer be diligent in paying his or her liability including making estimated tax payments for 5 years from the date of acceptance?
- If client cannot remain in compliance the offer will be cancelled and all compromised liability will be reassessed including all interest and penalties

Polling Question 3

Have you successfully appealed an offer
in compromise?

Story Time

Story

- “Laura”
- Owed \$270,000 to the IRS
- Unemployed

So what happened...

Story Time

Outcome

- Settled for \$3,501
- TRI fronted down payment
- Client defaulted on offer amount
- \$270,043 liability with penalties and interest reinstated

Moral

- Get your fees up front
- Don't feel sorry for the client
- Don't be a nice guy & advance the 20% down payment

Laura's
offer...accepted
and then rejected
for nonpayment

Owed: \$270,043

Department of the Treasury

Date of this Letter: MAY 7, 2014

INTERNAL REVENUE SERVICE
AMC-Stop 880
PO Box 30834
Memphis, TN 38130-0834

Person to Contact: Beverly
Robinson Employee
#:49-02054
Phone#: (901) 546-4803 EXT.
6:00AM-2:30PM Mon-Fri

Taxpayer ID#: [REDACTED]
Offer
Number:1001040033

Dear [REDACTED]

We have accepted your offer in compromise signed and dated by you on 01/07/2013. The date of acceptance is the date of this letter and our acceptance is subject to the terms and conditions on the enclosed Form 656, Offer in Compromise.

Please note that the conditions of the offer require you to file and pay all required taxes for five tax years or the period of time payments are being made on the offer, whichever is longer. This will begin on the date shown in the upper right hand corner of this letter.

Additionally, please remember that the conditions of the offer include the provision that as a conditional consideration for the offer, we will retain any refunds or credits that you may be entitled to receive for 2013 or for earlier tax years. This includes refunds you receive in 2014 for any overpayments you made toward tax year 2013 or toward earlier tax years. These refunds or credits will be applied to your liability, not to the accepted offer amount. If a Notice of Federal Tax Lien was filed on your account, it will be released when the offer amount is paid in full. If the final payment is by credit or debit card, the Notice of Federal Tax Lien will not be released for up to 120 days from the date of the credit/debit payment.

If you are required to make any payments under this agreement, make your check or money order payable to the United States Treasury and send it to:

Internal Revenue
Service P.O. Box 24015
Fresno, CA 93779

Please send all other correspondence to:

Internal Revenue Service
PO Box 77
Memphis, TN 38101-0077

continued on next page

Doubt as to Collectability

Is the taxpayer's income expected to change significantly during the collection statute?

- If the taxpayer expects their income to go down significantly, it may be worth planning and postponing submission of an offer or doing a PPIA
- If the taxpayer expects their income to go up significantly in the 12 months subsequent to submission of an offer, as the IRS may ask for updated financials that may negatively affect acceptance of the offer
- An increase in income may be overcome by negotiating a collateral agreement in conjunction with the offer

Doubt as to Collectability

Are the taxes more than 3 years old?

- Prior to deciding whether an offer should be prepared, consider and discuss with your client discharging the taxes in bankruptcy
- If you expect that the taxes are dischargeable, have a qualified person prepare a tax dischargeability analysis (“TDA”). The 3-year rule, the 2-year rule and the 240-day rule. This is covered in the 250A course.
- One size does not fit all. Know all your options so you can best serve your client.

A Brief Message from the Tax Resolution Institute

Doubt as to Liability

Doubt as to Liability

When and how should you submit an offer?

Things to consider

- Taxpayer assessed for liability they do not owe?
- Does the taxpayer have substantiation to support their claim?
- Can you reduce the liability enough to spend the time and money necessary to complete the offer?
- Did the assessment in question arise from a tax audit?
- Was a tax court petition filed?

Doubt as to Liability

Taxpayer assessed for liability they do not owe?

- This may seem like a simple question but keep in mind it needs to be answered by a tax professional, not the taxpayer (they never think they owe it).
- Do some due diligence to determine (1) why the tax was assessed and (2) what has been done to contest the assessment
- Make sure the client has reasonable expectations (ha ha...)

Doubt as to Liability

Does the taxpayer have substantiation to support their claim?

- Assuming your client has a case...now comes the real work
- Was the client assessed because the IRS was being unreasonable or because their representative “didn’t show up” for the audit?
- Does your client have adequate documentation to substantiate their claim?
- Essentially this is an audit reconsideration
- Do not do this work on a fixed fee basis

Doubt as to Liability

Can you reduce the liability enough to spend the time and money necessary to complete the offer in compromise?

- If your client has a case and they have the substantiation to support it, will the cost to defend them outweigh the benefits?
- This should be considered relative to the overall cost of your time (prize vs price)
- This should also be considered if a substantially high liability will remain even if an offer is accepted

Doubt as to Liability

Did the assessment in question arise from a tax audit?

- This type of offer (doubt as to liability) gives the taxpayer a 2nd bite at the apple.
- We have been successful in converting audits in which all deductions were disallowed to assessments producing little to no tax
- The IRS seems to be more reasonable in considering taxpayer substantiation at this level

Doubt as to Liability

Was the assessment appealed and a what level?

- Was a tax court petition filed?
- You cannot submit an offer in compromise doubt as to liability if a tax court petition has been filed

Polling Question 4

Were you aware you can submit an offer
in compromise to re-open an audit?

Effective Tax Administration

Effective Tax Administration

The taxpayer owes the tax, has the ability to pay (i.e. equity in their home) but collecting from the taxpayer would be unjust

Installment Agreement vs Offer in Compromise Analysis



Look back of Case Study 2 - Installment Agreement

- Family of 4
- Living in Los Angeles
- Husband is a self-employed salesperson (expects to earn substantially more income in the near future)
- Wife works and is a W-2 wage earner
- Taxes are withheld from Wife's paycheck and Husband is making estimated tax payments.
- Wife owns a vehicle with a small amount of equity
- Husband leases another vehicle
- They own a single family home with some equity
- Wife has an IRA with a relatively low value (\$12,858)
- They owe approximately \$487,000 in unpaid taxes

Collection Information Statement

Name(s) and Address John and Jane Doe 1234 Memory Lane Anytown, USA 12345		Your Social Security Number or Individual Taxpayer Identification Number 123-45-6789		
<input type="checkbox"/> If address provided above is different than last return filed, please check here County of Residence Los Angeles		Your Spouse's Social Security Number or Individual Taxpayer Identification Number 987-65-4321		
		Your Telephone Numbers Home: (818) 555-1212 Work: _____ Cell: _____	Spouse's Telephone Numbers Home: _____ Work: _____ Cell: _____	
Enter the number of people in the household who can be claimed on this year's tax return including you and your spouse. Under 65 <u>4</u> 65 and Over _____				
If you or your spouse are self employed or have self employment income, provide the following information:				
Name of Business	Business EIN	Type of Business	Number of Employees <i>(not counting owner)</i>	
A. ACCOUNTS / LINES OF CREDIT Include checking, online, mobile (e.g., PayPal) and savings accounts, Certificates of Deposit, Trusts, Individual Retirement Accounts (IRAs), Keogh Plans, Simplified Employee Pensions, 401(k) Plans, Profit Sharing Plans, Mutual Funds, Stocks, Bonds and other investments. If applicable, include business accounts. <i>(Use additional sheets if necessary.)</i>				
Name and Address of Institution	Account Number	Type of Account	Current Balance/Value	Check if Business Account
Main Bank, 111 Main Bank Avenue, Anytown, USA	11-1111-111	Checking	1,208	<input type="checkbox"/>
Retirement Bank, 123 Retirement Bank Avenue, Anytown, USA	123-456789	IRA	6,429	<input type="checkbox"/>
Business Bank, 222 Business Bank Avenue, Anytown, USA	22-2222-222	Checking	227	<input checked="" type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

Enter the # of persons in household here. The # should be the same as declared on client's tax return

B. REAL ESTATE Include home, vacation property, timeshares, vacant land and other real estate. (Use additional sheets if necessary.)

Description/Location/County	Monthly Payment(s)	Financing		Current Value	Balance Owed	Equity
Single Family Residence 1234 Memory Lane Anytown, USA 12345 Los Angeles <input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Other	3,150	Year Purchased	Purchase Price	850,000	678,000	172,000
		2008	785,000			
<input type="checkbox"/> Primary Residence <input type="checkbox"/> Other		Year Refinanced	Refinance Amount			
		Year Purchased	Purchase Price			
		Year Refinanced	Refinance Amount			

C. OTHER ASSETS Include cars, boats, recreational vehicles, whole life policies, etc. Include make, model and year of vehicles and name of Life Insurance company in Description. If applicable, include business assets such as tools, equipment, inventory, etc. (Use additional sheets if necessary.)

Description	Monthly Payment	Year Purchased	Final Payment (mo/yr)	Current Value	Balance Owed	Equity
Nissan Sentra	463	2014	1 / 19	11,030	7,800	3,230
Acura IXL (lease)	567	2012	6 / 17	0	19,129	0
			/			
			/			
			/			
			/			
			/			

NOTES (For IRS Use Only)

Note: If equity was negative enter "0"

Credit card payments are considered “allowable” as part of “Miscellaneous” below in Section H1. Any amount above the \$300 allowance below will not be considered.

Page 2 of 4

D. CREDIT CARDS <i>(Visa, MasterCard, American Express, Department Stores, etc.)</i>			
Type	Credit Limit	Balance Owed	Minimum Monthly Payment
None			

E. BUSINESS INFORMATION Complete E1 for Accounts Receivable owed to you or your business. *(Use additional sheets if necessary.)* Complete E2 if you or your business accepts credit card payments.

E1. Accounts Receivable owed to you or your business

Name	Address	Amount Owed
N/A		
List total amount owed from additional sheets		
Total amount of accounts receivable available to pay to IRS now		

E2. Name of individual or business on account

Credit Card <i>(Visa, MasterCard, etc.)</i>	Issuing Bank Name and Address	Merchant Account Number
N/A		

F. EMPLOYMENT INFORMATION	
If you have more than one employer, include the information on another sheet of paper. (If attaching a copy of current pay stub, you do not need to complete this section.)	
Your current Employer (name and address) Self-Employed	Spouse's current Employer (name and address) ACME Inc. 9999 Industrial Way Los Angeles, CA 90000
How often are you paid? (Check one) <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Semi-monthly <input type="checkbox"/> Monthly	How often are you paid? (Check one) <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input checked="" type="checkbox"/> Semi-monthly <input type="checkbox"/> Monthly
Gross per pay period _____	Gross per pay period <u>2,384</u>
Taxes per pay period (Fed) _____ (State) _____ (Local) _____	Taxes per pay period (Fed) <u>907</u> (State) <u>102</u> (Local) _____
How long at current employer <u>2 yrs 7 mos</u>	How long at current employer <u>1 yr 3 mos</u>
G. NON-WAGE HOUSEHOLD INCOME	
List monthly amounts. For Self-Employment and Rental Income, list the monthly amount received after expenses or taxes and attach a copy of your current year profit and loss statement.	
Alimony Income _____	Net Rental Income _____
Child Support Income _____	Unemployment Income _____
Net Self Employment Income <u>8,662</u>	Pension Income _____
	Interest/Dividends Income _____
	Social Security Income _____
	Other: _____
H. MONTHLY NECESSARY LIVING EXPENSES	
List monthly amounts. (For expenses paid other than monthly, see instructions.)	
1. Food / Personal Care <i>See instructions. If you do not spend more than the standard allowable amount for your family size, fill in the Total amount only.</i>	3. Housing & Utilities
Food <u>821</u>	Rent _____
Housekeeping Supplies <u>78</u>	Electric, Oil/Gas, Water/Trash <u>233</u>
Clothing and Clothing Services <u>244</u>	Telephone/Cell/Cable/Internet _____
Personal Care Products & Services <u>70</u>	Real Estate Taxes and Insurance _____
Miscellaneous <u>300</u>	(if not included in B above)
Total <u>1,513</u>	Maintenance and Repairs _____
	Total <u>233</u>
2. Transportation	4. Medical
Gas/Insurance/Licenses/Parking/Maintenance etc. <u>590</u>	Health Insurance <u>495</u>
Public Transportation _____	Out of Pocket Health Care Expenses <u>240</u>
	Other (specify) _____
	Other (specify) _____
	Other (specify) _____
5. Other	
	Child / Dependent Care <u>319</u>
	Estimated Tax Payments <u>3,586</u>
	Term Life Insurance <u>135</u>
	Retirement (Employer Required) _____
	Retirement (Voluntary) _____
	Union Dues _____
	Delinquent State & Local Taxes (minimum payment) _____
	Student Loans (minimum payment) _____
	Court Ordered Child Support _____
	Court Ordered Alimony _____
	Other Court Ordered Payments _____
Under penalty of perjury, I declare to the best of my knowledge and belief this statement of assets, liabilities and other information is true, correct and complete.	
Your Signature _____	Spouse's Signature _____
	Date _____

Be sure to calculate the wages minus taxes based upon a month when determining how much to offer as an installment amount.

IRS
Standard

Installment Agreement Analysis

Item	Allowed for IA	Notes
Income		
<i>Gross Wages</i>		
Taxpayer (Net Business Income)	8,662	Actual
Spouse (Wages)	4,768	Actual
Total gross earnings:	13,430	
<i>Taxes</i>		
Taxpayer	(3,586)	Actual
Spouse	(2,018)	Actual
Total taxes withheld:	(5,604)	
Total net income:	7,826	
Personal Living Expenses		
<i>Housing and Utilities</i>		
Mortgage	3,150	Actual for IA
Utilities	233	Actual for IA
	3,383	
<i>Food/Clothing/Etc.</i>	1,513	IRS national standard
	1,513	
<i>Transportation</i>		
Car payments	1,030	Actual
Maint./gas/insurance	590	IRS local standard
	1,620	
<i>Medical</i>		
Health insurance	495	Actual
Out-of-pocket health	240	IRS national standard
	735	
<i>Other</i>		
Childcare	319	
Life insurance	135	
	454	
Total living expenses:	7,705	
Monthly Disposable Income:	121	

Offer in Compromise
vs
Installment Agreement
Comparison

OIC vs IA Analysis

Installment Agreement/Offer in Compromise Comparison - Family of Four (CS-2)

Item	Amount Allowed for IA	Amount Allowed for OIC	Notes
Income			
<i>Gross Wages</i>			
Taxpayer (Net Business Income)	8,662	8,662	Actual
Spouse (Wages)	4,768	4,768	Actual
Total gross earnings:	13,430	13,430	
<i>Taxes</i>			
Taxpayer	(3,586)	(3,586)	Actual
Spouse	(2,018)	(2,018)	Actual
Total taxes withheld:	(5,604)	(5,604)	
Total net income:	7,826	7,826	
Personal Living Expenses			
<i>Housing and Utilities</i>			
Mortgage	3,150		Actual for IA
Utilities	233		Actual for IA
		3,383	OIC amount is based upon IRS local std.
<i>Food/Clothing/Etc.</i>	<u>1,513</u>	<u>1,513</u>	IRS national standard
		1,513	
<i>Transportation</i>			
Car payments	1,030		OIC amount is based upon IRS national std.
Maint./gas/insurance	590	590	IRS local standard
		1,620	
		590	
<i>Medical</i>			
Health insurance	495	495	Actual
Out-of-pocket health	240	240	IRS national standard
		735	
		735	
<i>Other</i>			
Childcare	319	319	Actual
Life insurance	135	135	Actual
		454	
		454	
Total living expenses:	7,705	7,405	
Monthly Disposable Income:	121	421	

Should they do an offer or
installment agreement?

...let's see

OIC vs Installment Agreement

Installment Agreement

Monthly payment amount - \$121

Number of months to pay - 120 (10 years)

$$121 \times 120 = \$14,520$$

Offer in Compromise

Offer amount - \$13,875*

**Paid as follows - 20% down and the balance paid within 5 months after offer is accepted (typically 18 to 24 months after offer is submitted).*

Because Taxpayer John Doe assumes he'll earn substantially more money in the near future, an Offer in Compromise would far outweigh an Installment Agreement.

Visit
www.taxresolutioninstitute.org/forms
to access the most
current version of these forms

Group Discussion

(time permitting)

Polling Question 5

Do you weigh the costs relative to benefits prior to preparing an offer in compromise?

Morning Break

This book is a must for tax resolution practitioners....

50% off
for the next 15 minutes

Available in both hard cover
and pdf versions

TRI

The Ultimate Guide to Tax Resolution

By Peter Y. Stephan & Matthew Cohen



Textbook

Hardcover: ~~\$149.00~~ / **\$74.50**

PDF: ~~\$99.00~~ / **\$49.50**

Taxes and Bankruptcy

Our taxes and bankruptcy speakers



Peter Y. Stephan
TRI - Director



Norman J. Kreisman
TRI – Tax Attorney

Taxes and Bankruptcy

- Income taxes may be discharged in bankruptcy
- Certain rules (“conditions”) must be met to discharge taxes in bankruptcy
- Payroll Taxes may not be discharged in bankruptcy

Bankruptcy Tax Dischargeability Rules:

- Three-Year Rule

At least Three years from the due date of the tax return including extensions; or

- Two-Year Rule

At least Two years from the date the tax return was filed (we say assessed) for delinquent returns; and

- 240-Day Rule

At least 240 days from the date of assessment of an audited or amended tax return

Chapter 7 vs. Chapter 13

- Dischargeable taxes are eliminated in Chapter 7 filings
- Dischargeable taxes are treated as general, unsecured creditors in Chapter 13 filings
- Secured tax liens may not be discharged in Chapter 7 filings

Polling Question 6

Have you advised a client who was contemplating filing for bankruptcy?

Tolling Events (Statutes of Limitation)

Statute of Limitation for collection by the IRS tolls (is frozen and therefore extended) under the following circumstances:

- 240 days; plus
- The number of days each offer in compromise for the applicable tax had been pending; plus
- 30 days for each applicable offer in compromise; plus
- The number of days each prior bankruptcy proceeding had been pending after the related tax return due date with valid extensions; plus
- Six months for each applicable bankruptcy proceeding
- The period of time taxpayer spends living outside the country

Back by popular demand...

Low Hanging Fruit

How to make “real” money in the next 12 months

Low Hanging Fruit #1

Prepare a tax dischargeability analysis

Earn \$1,500 – \$4,000

Low Hanging Fruit #2

Use Cost Segregation to accelerate depreciation on assets

Earn \$1,500 – \$4,000

Summary of Low Hanging Fruit

- Streamlined installment agreements
- Represent your client in a Trust Fund Recovery Penalty 4180 interview
- Status 63 – keep the Trust Fund recovery penalty from hitting you client's credit
- Prepare a TDA (Tax Dischargeability Analysis)
- Use Cost Segregation

“Sell knowledge not time...”

Polling Question 7

Are you concerned about keeping a steady flow of work coming in?

Our sales speakers



Peter Y. Stephan
Director
Tax Resolution Institute



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Chief Strategy Officer
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TRI

Sales

For Service Professionals

Are you a salesperson?



Most professionals answer...

No

They're wrong...

Everyone “sells” themselves everyday

If you eliminate the stigma that salespeople are dishonest...



you will be a better salesperson

Next Question



What is the number one benefit a good salesperson gets?

Answer



Increased revenue

Question 3

Name two more things you gain by being a good salesperson?

First answer

Wasting less time selling to unqualified prospects



Second answer

Feel satisfied even if you don't close a sale

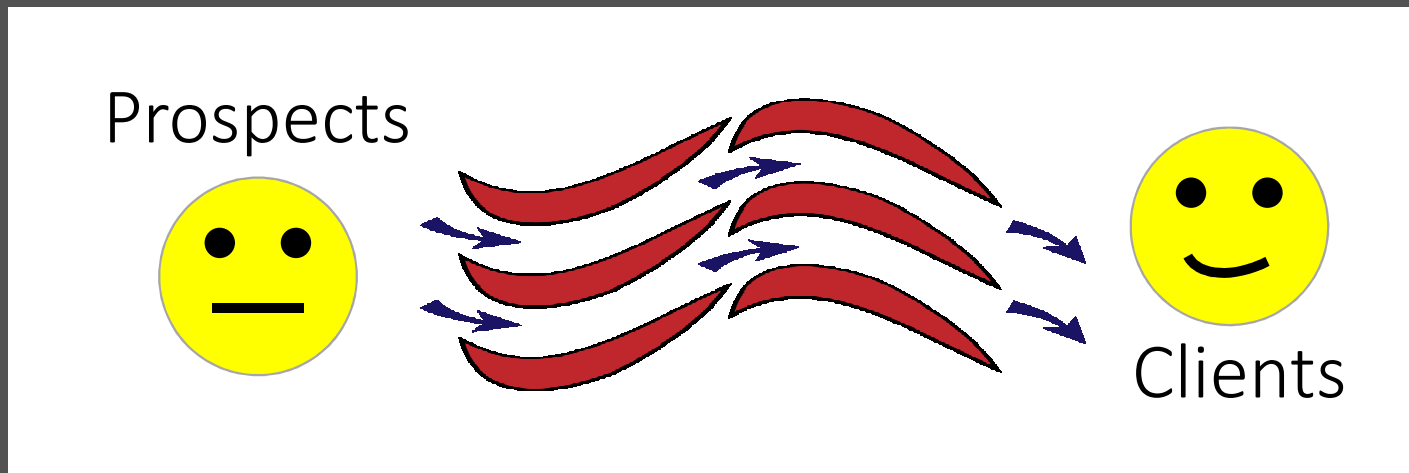


Polling Question 8

What amount of time do you spend selling to prospective clients?

How do I become a good salesperson?

You need a system



Sales Golden Rule

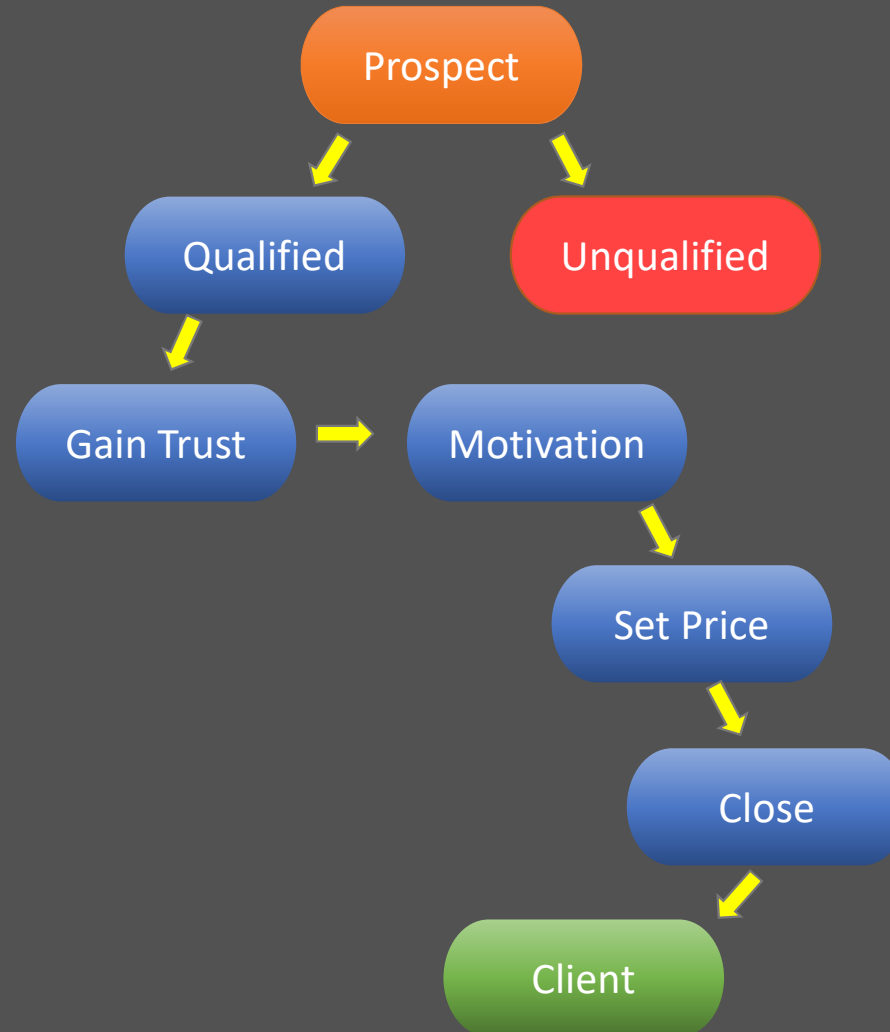
Listen more than you speak...

During your sales session, you should be speaking no more than 30% of the time

TRI Sales Steps

- Prequalify
- Gain Trust
- Discover Motivation
- Set Price
- Close

TRI Sales Steps



TRI Sales Steps

Step 1: Prequalify

Spent no more than 15 minutes to determine if you should proceed with the call



Prequalify

- Speak with decision-maker
- Make sure caller has time to complete the process
- Control the conversation
- “Maybe” is not acceptable

TRI Sales Steps

Step 2: Gain Trust

People do business with people
they trust....

Gain Trust

- Put caller's needs first
- Match and mirror
- Be humble
- Ask Questions

Polling Question 9

Would you ever consider
losing a sale a good thing?

TRI Sales Steps

Step 3: Discover Motivation

The reason why the prospect is calling you is not what you think....

Find Motivation

- The “reason” is not the motivation
- Ask questions
- Interpret verbal cues

Find Motivation

How do you make sure you listen at least 70% of the time?

ASK QUESTIONS

Transition Questions

- Shall I start?
- Why don't you start?
- What is the reason you are calling today?
- What is at risk?
- How does that make you feel?
- What should we do?

Motivation Questions

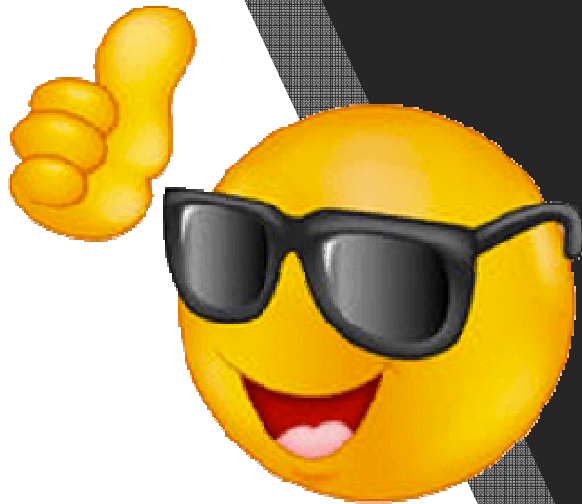
- What is the problem?
- Why don't you tell me what's going on?
- Anything else?
- How did that happen?
- What happens if it doesn't get fixed?
- Are you OK with that?
- Is this a joint liability?
- Any college plans for the kids?

Find Motivation

DO's and DON'Ts

Do's

- Discuss your prospect's goals
- Become an active listener
- Ask open-ended questions
- Mimic your prospect
- Extract the "motivation"
- Listen at least 70% of the time



Don'ts



- Don't let the prospect control the conversation
- Don't sell features and benefits
- Don't overcome objections
- Don't speak more than 30% of the time

Resist the temptation to be an unpaid advisor...



TRI Sales Steps

Step 4: Setting a Price

How much should you charge for your services?

Setting a Price

Question 1:

Would you charge HALF your rate if you knew that is as much as someone would pay?

Setting a Price

Question 2:

Would you charge TWICE your rate if you knew that is as much as someone would expect to pay?

Setting a Price

We refer to this as the prospect's....

Perceived Benefit

Setting a Price

Before you quote a price....

Gauge what the prospect is
willing to pay

Setting a Price

Question 3:

What do you do if the prospect says “I cannot afford your services”?

Setting a Price

Question 4

Do you offer a price range or price ranges?

Setting a Price

Eliminate buyer's remorse
before it exists

Measure Results

If you can measure it... you
can control it

Measure Results

- Set sales goals
- Base goals on realistic expectations in the number of qualified prospects
- Early goals should include performance benchmarks based upon your actions, not success
- Take satisfaction in handling a call properly, even if it does not end in a sale

Our Success Using Our Sales System

- Increase in close rates year-over-year for 6 years running
- Reduction of average time selling from 54 minutes to 22 minutes per prospect
- Sales staff morale is up substantially
- Revenue has increased 23.8% on an annual basis



Your Success Using Our Sales System

- More Clients
- Higher fees
- Higher revenue
- Less wasted time
- Steady stream of business
- More time working...less time selling



Sales Summary

- Prequalify Prospects
- Gain Prospect's Trust
- Find Prospect's Motivation
- Set Price Based on Perceived Value
- Close Sale
- Measure Results and...

Enjoy the path to freedom



www.taxresolutioninstitute.org



The Ultimate Professional's System

- Marketing Segment
- Sales Segment
- Tax Resolution Segment
- Workbooks for each segment
- Laminated Cheat Sheets
- 8 CD set...includes audio companion for each segment
- 2 months free support



Polling Question 10

What percentage of time do you talk when on a sales call?

Question and answers

Group Discussion

(time permitting)

Lunch Break

Market/Sell/Practice...

30% off

includes 2 months free support

Our comprehensive system for
all working professionals



- Marketing segment
- Sales segment
- Tax resolution segment
- Workbooks for each segment

~~\$2,900~~ / **\$2,093**

Polling Question 11

Do you currently use tax resolution software in your practice?

The logo for Canopy, featuring the word "canopy" in a bold, lowercase, green sans-serif font.

Simple Tax Resolution Software

Speaker



Tyler Howes
Canopy

Polling Question 12

Have you ever submitted a request
for innocent spouse relief?

Our innocent spouse speakers



Peter Y. Stephan
TRI - Director



Norman J. Kreisman
TRI – Tax Attorney

Innocent Spouse Relief

New rules created in September of 2013 under Rev. Proc. 2013-34 relax rules that are deemed necessary to qualify for relief

In 2015, the IRS further relaxed these rules

Three Types of Innocent Spouse Relief

The “Old” Way..

- Traditional Relief – IRC Section 6015(b)
- Spousal Allocation – IRC Section 6015(c)
- Equitable Relief – IRC Section 6015(f)

Definitions of the three types

Type 1 - Traditional Spouse Relief – 6015(b)

- The standards set to receive relief under this method are difficult to meet
- Spouse seeking relief must show he or she was unaware (and had no way of knowing) that income was under-reported
- This type of relief is not available if original liability assessed was not paid (allowed in deficiency cases, not allowed if payment was never made)

Important to remember!

Type 2 - Spousal Allocation – 6015(c)

- Spouse seeking relief allocates additional tax assessed proportionate to involvement in the income being under-reported
- Community property laws are disregarded in this case
- Person seeking this relief must be legally separated or no longer married

Type 3- Spousal Allocation – 6015(c) ...continued

- The burden of proof is on the IRS to show that the person seeking relief had actual knowledge (not reason to know) that income was under-reported at the time the tax return was signed
- No refunds are permitted under this election



No refunds!

Type 3 Equitable Relief– 6015(f)

- Only used if relief is not allowed under Traditional Spouse Relief [6015(b)] and Spousal Allocation [6015(c)]
- Amount of relief is subject to unpaid balance shown on tax return
- Refunds are permitted under this election

Refunds allowed!

What these have in common...

- A joint tax return exists
- Relief applies only to tax on income (excludes FBAR, Civil Penalty, etc.)
- Spouse seeking relief filed IRS Form 8857 timely
 - Within 2 years of collection activity for 6015 (b) & 6015 (c)
 - Within collection statute for 6015(f) (typically 10 years)

Rev Proc 2013-34

Requesting spouse must satisfy all of the following conditions to qualify for equitable relief:

A return unsigned by one spouse still may be considered jointly filed

- A joint tax return was filed
- Requestor cannot obtain relief under Traditional Spouse Relief [6015(b)] and Spousal Allocation [6015(c)]
- Request must be made timely
- No fraudulent transfer of assets occurred between spouses

Rev Proc 2013-34

Conditions continued:

- Non-requesting spouse did not transfer disqualified assets to requesting spouse
(this not an issue if requesting spouse was subject to abuse, the non-requesting spouse had restricted access to financial information or was unaware of the transfer in question)
- Requesting spouse did not knowingly participate in the filing of a fraudulent return
- Income tax liability for which the requesting spouse is seeking relief can be attributed (in part or full) to an event directly tied to the non-requesting spouse or an underpayment attributable to the non-requesting spouse's income

Innocent Spouse Streamlined Determinations

If the aforementioned conditions are met, the IRS may grant equitable relief if the requestor:

- Is no longer married to the non-requesting spouse
- Would suffer financial hardship if relief is not granted
- Did not have knowledge or reason to have knowledge of any understatement or deficiency on the return in question
- Did not know that the non-requesting spouse could not or would not pay the full liability reflected on the return

Does not need to be met in cases of abuse or lack of financial control

Polling Question 13

Did you know that in 2013 the IRS eased requirements for requesting innocent spouse relief?

Innocent Spouse Non-Streamlined Determinations

- Marital Status
- Economic Hardship
- Knowledge
- Abuse
- Legal Obligation
- Significant benefit
- Compliance with income tax laws
- Mental health
- Physical health

Innocent Spouse Non-Streamlined Determination Factors

Factors

No factor is controlling

Factors are classified as “favorable”, “unfavorable” or neutral

- Marital Status – spouses are legally separated, divorced, widowed or in separate households for a 12-month period ending on the date of determination (favorable/neutral)
- Economic Hardship – lack of hardship (neutral...this is a recent change). Hardship is determined by IRS regulations but typically more relaxed than used when considering an offer in compromise (favorable/neutral)

Non-Streamlined Determination Factors

- Knowledge (1) - In cases involving understatement, requesting spouse did not know and had no reason to know income was understated (favorable/unfavorable)
- Knowledge (2) - In cases involving underpayment, requesting spouse did not know and had no reason to know non-requesting spouse would not or could not pay the liability within a reasonable (prompt) time after filing the return (if an installment agreement was requested either 90 days after the due date or payment or the filing date of the return, the spouse not submitting the installment agreement request is presumed not to have knowledge (favorable/unfavorable))

Knowledge Criteria

- Requesting spouse's level of education completed.
- Did the non-requesting spouse practice deceit or was evasive
- The level of involvement by the requesting spouse in the activity/s that generated the tax liability

Knowledge Criteria Continued

- The level of involvement by the requesting spouse in managing business and household finances
- The requesting spouse's level of business and financial savvy
- The spending level in the purchase of lavish items compared to prior history of the same.

Non-Streamlined Determination Factors

- Spousal Abuse – abuse can be psychological, emotional and/or physical. Drug and alcohol abuse are considered. IRS compares abuse to duress. (favorable/neutral)

This factor alone can swing view from unfavorable to favorable

- Legal Obligation – may be favorable if non-requesting spouse has the sole legal obligation to pay outstanding tax liability stemming from a divorce decree or agreement. Changes from favorable to neutral if requesting spouse had knowledge that other spouse would not pay the tax. Unfavorable if requesting spouse has the sole legal obligation. Neutral if both spouses share the legal obligation

Non-Streamlined Determination Factors

- Significant benefit – did requesting spouse receive significant benefit from funds that would otherwise be used to satisfy unpaid tax liability or deficiency (favorable/neutral)

Beyond 'normal' support

- Compliance with income tax laws – did requesting spouse make a good faith effort to comply with tax laws in the year in questions as well as subsequent years (favorable/neutral)
- Mental Health – is requesting spouse in poor mental health (favorable/neutral)
- Physical Health – is the requesting spouse in poor physical health (favorable/neutral)

Polling Question 14

Did you know that there is a limited time to request relief from the time the IRS begins collection of the tax?

How to Request Relief

- File IRS Form 8857 and enter information to determine which type of relief requesting spouse is seeking
- The IRS will review the form and let applicant know if they qualify
- Form should be filed when requesting spouse becomes aware of unpaid liability or deficiency for which they believe they are responsible
- Typically applicant has 2 years from the time the IRS starts collecting the tax to file a request

There are some exceptions

IRS Form 8857
Request for Innocent Spouse Relief
 (page 1 of 7)

Form 8857 (Rev. January 2014) Department of the Treasury Internal Revenue Service (99)	Request for Innocent Spouse Relief	OMB No. 1545-1596
► Information about Form 8857 and its separate instructions is at www.irs.gov/form8857 .		
Important things you should know <ul style="list-style-type: none"> • Do not file this form with your tax return. See <i>Where To File</i> in the instructions. • Review and follow the instructions to complete this form. Instructions can be obtained at www.irs.gov/form8857 or by calling 1-800-TAX-FORM (1-800-829-3676). • While your request is being considered, the IRS generally cannot collect any tax from you for the year(s) you request relief. However, filing this form extends the amount of time the IRS has to collect the tax you owe, if any, for those years. • The IRS is required by law to notify the person on line 5 that you requested this relief. That person will have the opportunity to participate in the process by completing a questionnaire about the tax years you enter on line 3. This will be done before the IRS issues preliminary and final determination letters. • The IRS will not disclose the following information: your current name, address, phone numbers, or employer. 		
Part I Should you file this form?		
Generally, both you and your spouse are responsible, jointly and individually, for paying any tax, interest, or penalties from your joint return. If you believe your current or former spouse should be solely responsible for an erroneous item or an underpayment of tax from your joint tax return, you may be eligible for innocent spouse relief.		
Innocent spouse relief may also be available if you were a resident of a community property state (see list of community property states in the instructions) and did not file a joint federal income tax return and you believe you should not be held responsible for the tax attributable to an item of community income.		
1 Do either of the paragraphs above describe your situation? <input type="checkbox"/> Yes. You should file this Form 8857. Go to question 2. <input type="checkbox"/> No. Do not file this Form 8857, but go to question 2 to see if you need to file a different form.		
2 Did the IRS take your share of a joint refund from any tax year to pay any of the following past-due debt(s) owed ONLY by your spouse? • Child support • Spousal support • Student loan (or other federal nontax debt) • Federal or state taxes <input type="checkbox"/> Yes. You may be able to get back your share of the refund. See Form 8379, Injured Spouse Allocation, and the instructions to that form. Go to question 3 if you answered "Yes" to question 1. <input type="checkbox"/> No. Go to question 3 if you answered "Yes" to question 1. If you answered "No" to question 1, do not file this form.		
3 If you determine you should file this form, enter each tax year you want innocent spouse relief. It is important to enter the correct year. For example, if the IRS used your 2011 income tax refund to pay a 2009 joint tax liability, enter tax year 2009, not tax year 2011.		
Tax Year _____	Tax Year _____	Tax Year _____
Tax Year _____	Tax Year _____	Tax Year _____
Part II Tell us about yourself and your spouse for the tax years you want relief		
4 Your current name (see instructions)		Your social security number
Address where you wish to be contacted. If this is a change of address, see instructions.		
Number and street or P.O. box		Apt. no. County
City, town or post office, state, and ZIP code. If a foreign address, see instructions.		Best or safest daytime phone number (between 6 a.m. and 5 p.m. Eastern Time)
5 Who was your spouse for the tax years you want relief? File a separate Form 8857 for tax years involving different spouses or former spouses.		
That person's current name		Social security number (if known)
Current home address (number and street) (if known). If a P.O. box, see instructions.		Apt. no.
City, town or post office, state, and ZIP code. If a foreign address, see instructions.		Daytime phone number (between 6 a.m. and 5 p.m. Eastern Time)
For Privacy Act and Paperwork Reduction Act Notice, see instructions.		
Cat. No. 24647V Form 8857 (Rev. 1-2014)		

IRS Form 8857
Request for
Innocent
Spouse Relief
 (page 2 of 7)

Form 8857 (Rev. 1-2014) Page **2**

Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part II Tell us about yourself and your spouse for the tax years you want relief (Continued)

6 What is the current marital status between you and the person on line 5?

Married and still living together

Married and living apart since _____ MM DD YYYY

Widowed since _____ MM DD YYYY **Attach a photocopy of the death certificate and will (if one exists).**

Legally separated since _____ MM DD YYYY **Attach a photocopy of your entire separation agreement.**

Divorced since _____ MM DD YYYY **Attach a photocopy of your entire divorce decree.**

Note. A divorce decree stating that your former spouse must pay all taxes does not necessarily mean you qualify for relief.

7 What was the highest level of education you had completed when the return(s) were filed? If the answers are **not** the same for all tax years, explain.

Did not complete high school

High school diploma or equivalent

Some college

College degree or higher. List any degrees you have ► _____

List any college-level business or tax-related courses you completed ► _____

Explain ► _____

8 Were you or other members of your family a victim of spousal abuse or domestic violence, or suffering the effects of such abuse during any of the tax years you want relief or when any of the returns were filed for those years?

Yes. If you want the IRS to consider this information in making its determination, complete Part V of this form in addition to other parts of the form. First read the instructions for Part V, to understand how the IRS will proceed with evaluating your claim for relief in these circumstances.

If you checked "Yes" above, we will put a note on your separate account. This will enable us to respond appropriately and be sensitive to your situation. We will remove the note from your account if you request it (as explained in the instructions). If you do not want us to put a note on your account, check here ►

No. Complete the other parts of this form except for Part V.

9 When any of the returns listed on line 3 were filed, did you have a mental or physical health problem or do you have a mental or physical health problem now? If the answers are **not** the same for all tax years, explain below.

Yes. **Attach a statement** to explain the problem and **when** it started. Provide photocopies of any documentation, such as medical bills or a doctor's report or letter.

No.

Explain ► _____

10 Is there any information you are afraid to provide on this form, but are willing to discuss?

Yes No

Part III Tell us if and how you were involved with finances and preparing returns for those tax years

11 Did you agree to file a joint return? Yes No

Explain why or why not ► _____

12 Did you sign the joint return? See instructions. Yes No

Explain why or why not ► _____

Form **8857** (Rev. 1-2014)

IRS Form 8857
Request for
Innocent
Spouse Relief
 (page 3 of 7)

Form 8857 (Rev. 1-2014) Page **3**

Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part III Tell us if and how you were involved with finances and preparing returns for those tax years (Continued)

13 What was your involvement with preparing the returns? Check all that apply and explain, if necessary. If the answers are **not** the same for all tax years, explain.

- You were not involved in preparing the returns.
- You filled out or helped fill out the returns.
- You gathered receipts and cancelled checks.
- You gave tax documents (such as Forms W-2, 1099, etc.) for the preparation of the returns.
- You reviewed the returns before they were filed.
- You did not review the returns before they were filed. Explain below why you did not review the returns.
- You did not know a joint return was filed.
- Other ▶ _____

Explain how you were involved ▶ _____

14 When the returns were filed, what did you know about any incorrect or missing information? Check all that apply and explain, if necessary. If the answers are **not** the same for all tax years, explain below.

- You knew something was incorrect or missing, but you said nothing. Explain below.
- You knew something was incorrect or missing and asked about it. Explain below.
- You did not know anything was incorrect or missing.
- Not applicable. There was no incorrect or missing information.

Explain ▶ _____

15 When any of the returns were filed, what did you know about the income of the person on line 5? Check all that apply and explain, if necessary. If the answers are **not** the same for all tax years, explain.

- You knew that the person on line 5 had income.
 List each type of income on the lines provided below. (Examples are wages, social security, gambling winnings, or self-employment business income.) Enter each tax year and the amount of income for each type you listed. If you do not know any details, enter "I don't know."

- You knew that the person on line 5 was self-employed and you helped with the books and records.
- You knew that the person on line 5 was self-employed and you did not help with the books and records.
- You knew that the person on line 5 had no income.
- You did not know whether the person on line 5 had income.

Explain why you did not know whether the person on line 5 had income ▶ _____

16 When the returns were filed, did you know if the returns showed a balance due to the IRS for those tax years? If the answers are **not** the same for all tax years, explain.

- Yes. Explain when and how you thought the amount of tax reported on the return would be paid ▶ _____

- No. Explain why you did not know the return showed a balance due. ▶ _____

- Not applicable. There was no balance due on the return.

17 When any of the returns were filed, were you having financial problems (for example, bankruptcy or bills you could not pay)? If the answers are **not** the same for all tax years, explain.

- Yes. Explain ▶ _____
- No.
- Did not know. Explain ▶ _____

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Request for
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Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part III Tell us if and how you were involved with finances and preparing returns for those tax years (Continued)

18 For the years you want relief, how were you involved in the household finances? Check all that apply. If the answers are not the same for all tax years, explain.

- You were not involved in handling money for the household. Explain below.
- You knew the person on line 5 had separate accounts.
- You had joint accounts with the person on line 5, but you had limited use of them or did not use them. Explain below.
- You used joint accounts with the person on line 5. You made deposits, paid bills, balanced the checkbook, or reviewed the monthly bank statements.
- You made decisions about how money was spent. For example, you paid bills or made decisions about household purchases.
- Other ▶ _____

Explain anything else you want to tell us about your household finances ▶ _____

19 Did you (or the person on line 5) incur any large expenses, such as trips, home improvements, or private schooling, or make any large purchases, such as automobiles, appliances, or jewelry, during any of the years you want relief or any later years?

- Yes. Describe (a) the types and amounts of the expenses and purchases and (b) the years they were incurred or made.

- No.

20 Has the person on line 5 ever transferred assets (money or property) to you? (Property includes real estate, stocks, bonds, or other property that you own or possess now or possessed in the past.) See instructions.

- Yes. List the assets, the dates they were transferred, and their fair market values on the dates transferred. If the property was secured by any debt (such as a mortgage on real estate), explain who was responsible for making payments on the debt, how much was owed on the debt at the time of transfer and whether the debt has been satisfied. Explain why the assets were transferred to you. If you no longer possess or own the assets, explain what happened with the assets.

- No.

Part IV Tell us about your current financial situation

21 Tell us about your assets. Your assets are your money and property. Property includes real estate, motor vehicles, stocks, bonds, and other property that you own. In the table below, list the amount of cash you have on hand and in your bank accounts. Also list each item of property, the fair market value (as defined in the instructions) of each item, and the balance of any outstanding loans you used to acquire each item. Do not list any money or property you listed on line 20.

Description of Assets	Fair Market Value	Balance of Any Outstanding Loans You Used To Acquire the Asset

IRS Form 8857
Request for
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Form 8857 (Rev. 1-2014) Page **5**

Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part IV Tell us about your current financial situation (Continued)

22 How many people are currently in your household, including yourself? Adults _____ Children _____

23 Tell us your current average monthly income and expenses for your entire household.

Monthly Income — If family or friends are helping to support you, include the amount of support as gifts below.	Amount
Gifts	
Wages (Gross pay)	
Pensions	
Unemployment	
Social security	
Government assistance, such as housing, food stamps, grants	
Alimony	
Child support	
Self-employment business income	
Rental income	
Interest and dividends	
Other income, such as disability payments, gambling winnings, etc. List each type below:	
Type _____	
Type _____	
Type _____	
Total Monthly Income	

Monthly Expenses — Enter all expenses, including expenses paid with income from gifts.	Amount
Food and Personal Care:	
Food	
Housekeeping supplies	
Clothing and clothing services	
Personal care products and services	
Transportation:	
Auto loan/lease payment, gas, insurance, licenses, parking, maintenance, etc.	
Public transportation	
Housing and Utilities:	
Rent or mortgage	
Real estate taxes and insurance	
Electric, oil, gas, water, trash, etc.	
Telephone and cell phone	
Cable and Internet	
Medical:	
Health insurance premiums	
Out-of-pocket expenses	
Other:	
Child and dependent care	
Caregiver expenses	
Income tax withholding (federal, state, and local)	
Estimated tax payments	
Term life insurance premiums	
Retirement contributions (employer required)	
Retirement contributions (voluntary)	
Union dues	
Unpaid state and local taxes (minimum payment)	
Student loans (minimum payment)	
Court-ordered debt payments (for example, court- or agency-ordered child support, alimony and garnishments). List each type below:	
Type _____	
Type _____	
Type _____	
Miscellaneous	
Total Monthly Expenses	

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IRS Form 8857

Request for Innocent Spouse Relief

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Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part V Complete this part if you were (or are now) a victim of domestic violence or spousal abuse

As stated in line 8, providing this additional information is not mandatory but may strengthen your request. **Additionally, if you prefer to provide this information orally, check the "Yes" box on line 10.**

If you were (or are now) a victim of domestic violence or spousal abuse by the person on line 5, the IRS will consider the information you provide in this part to determine whether to grant innocent spouse relief. However, the IRS is required by law to notify the person on line 5 that you requested this relief. There are no exceptions to this rule. That person will have the opportunity to participate in the process by completing a questionnaire about the tax years you entered on line 3. This will be done before the IRS issues preliminary and final determination letters. However, the IRS is also required by law to keep all the personal identifying information (such as current names, addresses, and employment-related information) of both you and the person on line 5 confidential. This means that the IRS cannot disclose one person's information to the other person. If the IRS does not grant you relief and you choose to petition the Tax Court, your personal identifying information is available, unless you ask the Tax Court to withhold it.

The person on line 5 will receive a questionnaire about the tax years you entered on line 3. Except for your current name, address, phone numbers, and employer, this form and any attachments could be disclosed to the person on line 5. If you have any privacy concerns, see instructions.

The IRS understands and is sensitive to the effects of domestic violence and spousal abuse, and encourages victims of domestic violence to call 911 if they are in immediate danger. **If you have concerns about your safety, please consider contacting the 24-Hour (Confidential) National Domestic Violence Hotline at 1-800-799-SAFE (7233), or 1-800-787-3224 (TTY), or 1-855-812-1001 (Video Phone Only for Deaf Callers) before you file this form.**

A representative from the IRS may call you to gather more information and discuss your request. Be sure you enter your correct contact information on line 4.

24a During any of the tax years for which you are seeking relief or when any of the returns were filed for those years, did the person on line 5 do any of the following? Check all that apply. (Note. If this does not apply to you, skip lines 24a, b, and c, and complete lines 25 through 29.)

- Physically harm or threaten you, your children, or other members of your family.
- Sexually abuse you, your children, or other members of your family.
- Make you afraid to disagree with him/her.
- Criticize or insult you or frequently put you down.
- Withhold money for food, clothing, or other basic needs.
- Make most or all the decisions for you, including financial decisions.
- Restrict or control who you could see or talk to or where you could go.
- Isolate you or keep you from contacting your family members and/or friends.
- Cause you to fear for your safety in any other way.
- Stalk you, your children, or other members of your family.
- Abuse alcohol or drugs.

b Describe the abuse you experienced, including approximately when it began and how it may have affected you, your children, or other members of your family. Explain how this abuse affected your ability to question the reporting of items on your tax return or the payment of the tax due on your return.

c Attach photocopies of any documentation you have, such as:

- Protection and/or restraining order.
- Police reports.
- Medical records.
- Doctor's report or letter.
- Injury photographs.
- A statement from someone who was aware of or witnessed the abuse or the results of the abuse (notarized if possible).
- Any other documentation you may have.

25 Are you afraid of the person listed on line 5?

Yes No

26 Does the person listed on line 5 pose a danger to you, your children, or other members of your family?

Yes No

27 Were the police, sheriff, or other law enforcement ever called?

Yes No

28 Was the person listed on line 5 charged or arrested for abusing you, your children, or other members of your family?

Yes. Provide details below.

No

29 Have you sought help from a local domestic violence program?

Yes. Provide details below.

No

IRS Form 8857
Request for
Innocent
Spouse Relief
(page 7 of 7)

Form 8857 (Rev. 1-2014) Page 7

Note. If you need more room to write your answer for any question, attach more pages. Be sure to write your name and social security number on the top of all pages you attach.

Part VI Additional Information

30 Please provide any other information you want us to consider in determining whether it would be unfair to hold you liable for the tax.

Part VII Tell us if you would like a refund

31 By checking this box and signing this form, you are indicating that you would like a refund if you qualify for relief and if you already paid the tax. See instructions

Caution
 By signing this form, you understand that, by law, we must contact the person on line 5. See instructions for details.

Sign Here
 Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this form and any accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Form 8857 (Rev. 1-2014)

Difference between an innocent spouse and an injured spouse

Innocent Spouse – asks IRS not to be liable for past due taxes stemming from a jointly filed return

Injured Spouse – asks IRS not apply tax refund to the other spouse's past tax debt.

Injured Spouse (IRS Form 8379)

You are an injured spouse if:

- You file a joint return, and;
- All or part of your share of the refund was or will be applied against the separate past-due federal tax, state tax, child support or federal non-tax debt (such as a student loan) of your spouse with whom you filed the joint return

If you are an injured spouse, you may be entitled to recoup your share of the refund

IRS Form 8379
Injured Spouse Allocation
 (page 1 of 2)

Form 8379 (Rev. February 2015) Department of the Treasury Internal Revenue Service	Injured Spouse Allocation ▶ Information about Form 8379 and its separate instructions is at www.irs.gov/form8379 .	OMB No. 1545-0074 Attachment Sequence No. 104
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Part I **Should You File This Form?** You must complete this part.

1 Enter the tax year for which you are filing this form. ▶ _____ Answer the following questions for that year.

2 Did you (or will you) file a joint return?
 Yes. Go to line 3.
 No. Stop here. Do not file this form. You are not an injured spouse.

3 Did (or will) the IRS use the joint overpayment to pay any of the following legally enforceable past-due debt(s) owed only by your spouse? (see instructions)
 • Federal tax • State income tax • State unemployment compensation • Child support • Spousal support
 • Federal nontax debt (such as a student loan)
 Yes. Go to line 4.
 No. Stop here. Do not file this form. You are not an injured spouse.
Note. If the past-due amount is for a joint federal tax, you may qualify for innocent spouse relief for the year to which the overpayment was (or will be) applied. See *Innocent Spouse Relief*, in the instructions for more information.

4 Are you legally obligated to pay this past-due amount?
 Yes. Stop here. Do not file this form. You are not an injured spouse.
Note. If the past-due amount is for a joint federal tax, you may qualify for innocent spouse relief for the year to which the overpayment was (or will be) applied. See *Innocent Spouse Relief*, in the instructions for more information.
 No. Go to line 5a.

5a Were you a resident of a community property state at any time during the tax year entered on line 1? (see instructions)
 Yes. Enter the name(s) of the community property state(s) _____
 Go to line 5b.
 No. Skip line 5b and go to line 6.

b If you answered "Yes" on line 5a, was your marriage recognized under the laws of the community property state(s)? (see instructions)
 Yes. Skip lines 6 through 9. **Go to Part II** and complete the rest of this form.
 No. Go to line 6.

6 Did you make and report payments, such as federal income tax withholding or estimated tax payments?
 Yes. Skip lines 7 through 9 and **go to Part II** and complete the rest of this form.
 No. Go to line 7.

7 Did you have earned income, such as wages, salaries, or self-employment income?
 Yes. Go to line 8.
 No. Skip line 8 and go to line 9.

8 Did (or will) you claim the earned income credit or additional child tax credit?
 Yes. Skip line 9 and **go to Part II** and complete the rest of this form.
 No. Go to line 9.

9 Did (or will) you claim a refundable tax credit? (see instructions)
 Yes. Go to Part II and complete the rest of this form.
 No. Stop here. Do not file this form. You are not an injured spouse.

Part II **Information About the Joint Tax Return for Which This Form Is Filed**

10 Enter the following information exactly as it is shown on the tax return for which you are filing this form.
 The spouse's name and social security number shown first on that tax return must also be shown first below.

<small>First name, initial, and last name shown first on the return</small>	<small>Social security number shown first</small>	<small>If Injured Spouse, check here ▶</small> <input type="checkbox"/>
<small>First name, initial, and last name shown second on the return</small>	<small>Social security number shown second</small>	<small>If Injured Spouse, check here ▶</small> <input type="checkbox"/>

11 Check this box only if you want your refund issued in both names. Otherwise, separate refunds will be issued for each spouse, if applicable.

12 Do you want any injured spouse refund mailed to an address different from the one on your joint return? **Yes** **No**
 If "Yes," enter the address. _____
Number and street City, town, or post office, state, and ZIP code

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 62474Q **Form 8379** (Rev. 2-2015)

IRS Form 8379
Injured Spouse Allocation
(page 2 of 2)

Form 8379 (Rev. 2-2015) Page **2**

Part III Allocation Between Spouses of Items on the Joint Tax Return (See the separate Form 8379 instructions for Part III.)

Allocated Items (Column (a) must equal columns (b) + (c))	(a) Amount shown on joint return	(b) Allocated to injured spouse	(c) Allocated to other spouse
13 Income: a. Income reported on Form(s) W-2			
b. All other income			
14 Adjustments to income			
15 Standard deduction or Itemized deductions			
16 Number of exemptions			
17 Credits (do not include any earned income credit)			
18 Other taxes			
19 Federal income tax withheld			
20 Payments			

Part IV Signature. Complete this part only if you are filing Form 8379 by itself and not with your tax return.

Under penalties of perjury, I declare that I have examined this form and any accompanying schedules or statements and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Keep a copy of this form for your records	Injured spouse's signature		Date	Phone number
	Print/type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
Paid Preparer Use Only	Firm's name ▶		Firm's EIN ▶	
	Firm's address ▶		Phone no.	

Form **8379** (Rev. 2-2015)

Appealing Adverse Decision

30-day limit

- Use form 12509
- IRS issues Notice of Preliminary Determination
- Requesting spouse may file a protest with the Appeals Division

IRS Form
12509
Statement of
Disagreement

Form 12509 (January 2005)	Statement of Disagreement		
Purpose of form: You can use this form to explain why you disagree with the Internal Revenue Service (IRS) Determination concerning relief from joint and several liability for a joint return under Internal Revenue Code sections 6013(e), 6015(b), 6015(c), or 6015(f) in the letter you received with this form.			
Note: You can use the back of this page or attached additional pages if you need more space.			
<i>CHECK HERE IF YOU ALSO WISH TO GO TO APPEALS</i> <input type="checkbox"/>			
Taxpayer Name:	Social Security Number		
	- -		
Statement of Disagreement			
I, _____, disagree with the Internal Revenue Service determination because			
Under penalties of perjury, I declare that I have examined this statement, and to the best of my knowledge and belief, it is true, correct and complete.			
My Signature		Date	
Daytime phone number		Best time to Call	
Form 12509 (Rev. 1-2005) www.irs.gov	Catalog Number 28731A	Department of the Treasury-Internal Revenue Service	

Tax Court – Innocent Spouse Relief

- Requesting spouse may file a tax court petition after Final Notice of Determination has been issued by the Appeals Division
- Requesting spouse may also file a tax court petition if 6 months have passed since filing of initial request
- Requesting spouse may also file a tax court petition in conjunction with a substantive deficiency determination (if requesting spouse “meaningfully participated” in the tax court case, using the innocent spouse defense may be prevented)

Visit
www.taxresolutioninstitute.org/forms
to access the most
current version of these forms

Appeals

(part 1)

Appeal Topics Overview

- Collection Appeal Rights
 - Collection Due Process (“CDP”) Form 12153
 - Collection Appeals Process (“CAP”) Form 9423
- Offer in Compromise Appeal
- Request for Mediation
- Fast Track Settlement
- Taxpayer Advocate

Collection Appeal Rights

Two options...

- Collection Due Process (“CDP”) Form 12153
- Collection Appeals Process (“CAP”) Form 9423

<u>CAP (Form 9423)</u>	<u>CDP (Form 12153)</u>
Levy or seizure action that has been or will be taken	Notice of Intent to Levy and Notice of Your Right to Hearing
A Notice of Federal Tax Lien (NFTL) that has been or will be filed	Notice of Federal Tax Lien Filing and Your Right to Hearing under IRC 6320
The filing of a notice of lien against an alter-ego or nominee's property	Notice of Jeopardy Levy and Right to Appeal
Denials of requests to issue lien certificates, such as subordination, withdrawal, discharge or non-attachment	Notice of Levy on Your State Tax Refund
Rejected, proposed for modification or modified, or proposed for termination or terminated installment agreements	Notice of Levy and Notice of Your Right to a Hearing
Disallowance of taxpayer's request to return levied property under IRC 6343(d)	You may petition the Tax Court post findings
Disallowance of property owner's claim for return of property under IRC 6343(b)	Process takes significantly more time to reach a result than filing a CAP

Similarities

- You may represent yourself
- You may be represented by an attorney
- You may be represented by a CPA
- You may be represented by any other person enrolled to practice before the IRS
- You may be represented by immediate family
- For businesses you may be represented by employees, partners or officers

Differences

- You may go to court if you disagree with results of CDP hearing
- You may not go to court following a CAP hearing
- CAP results come in a relatively short period of time

Collection Due Process

IRS FORM 12153

Request for a Collection Due Process or
Equivalent Hearing

**IRS Form
12153
CDP
(page 1 of 2)**

Form **12153**
(Rev. 12-2013)

Request for a Collection Due Process or Equivalent Hearing

Use this form to request a Collection Due Process (CDP) or equivalent hearing with the IRS Office of Appeals if you have been issued one of the following lien or levy notices:

- Notice of Federal Tax Lien Filing and Your Right to a Hearing under IRC 6320,
- Notice of Intent to Levy and Notice of Your Right to a Hearing,
- Notice of Jeopardy Levy and Right of Appeal,
- Notice of Levy on Your State Tax Refund,
- Notice of Levy and Notice of Your Right to a Hearing.

Complete this form and send it to the address shown on your lien or levy notice. Include a copy of your lien or levy notice to ensure proper handling of your request.

Call the phone number on the notice or 1-800-829-1040 if you are not sure about the correct address or if you want to fax your request.

You can find a section explaining the deadline for requesting a Collection Due Process hearing in this form's instructions. If you've missed the deadline for requesting a CDP hearing, you must check line 7 (Equivalent Hearing) to request an equivalent hearing.

1. Taxpayer Name: (Taxpayer 1) _____
 Taxpayer Identification Number _____
 Current Address _____
 City _____ State _____ Zip Code _____

2. Telephone Number and Best Time to Call During Normal Business Hours	Home () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.
	Work () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.
	Cell () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.

3. Taxpayer Name: (Taxpayer 2) _____
 Taxpayer Identification Number _____
 Current Address _____
(If Different from Address Above) City _____ State _____ Zip Code _____

4. Telephone Number and Best Time to Call During Normal Business Hours	Home () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.
	Work () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.
	Cell () - - - - -	<input type="checkbox"/> am.	<input type="checkbox"/> pm.

5. Tax Information as Shown on the Lien or Levy Notice *(If possible, attach a copy of the notice)*

Type of Tax (Income, Employment, Excise, etc. or Civil Penalty)	Tax Form Number (1040, 941, 720, etc)	Tax Period or Periods

**IRS Form
12153
CDP
(page 2 of 2)**

Form 12153 (Rev. 12-2013)	Request for a Collection Due Process or Equivalent Hearing	
6. Basis for Hearing Request (Both boxes can be checked if you have received both a lien and levy notice)		
<input type="checkbox"/> Filed Notice of Federal Tax Lien <input type="checkbox"/> Proposed Levy or Actual Levy		
7. Equivalent Hearing (See the instructions for more information on Equivalent Hearings)		
<input type="checkbox"/> I would like an Equivalent Hearing - I would like a hearing equivalent to a CDP Hearing if my request for a CDP hearing does not meet the requirements for a timely CDP Hearing.		
8. Check the most appropriate box for the reason you disagree with the filing of the lien or the levy. See page 4 of this form for examples. You can add more pages if you don't have enough space. If, during your CDP Hearing, you think you would like to discuss a Collection Alternative to the action proposed by the Collection function it is recommended you submit a completed Form 433A (Individual) and/or Form 433B (Business), as appropriate, with this form. See www.irs.gov for copies of the forms. Generally, the Office of Appeals will ask the Collection Function to review, verify and provide their opinion on any new information you submit. We will share their comments with you and give you the opportunity to respond.		
Collection Alternative <input type="checkbox"/> Installment Agreement <input type="checkbox"/> Offer in Compromise <input type="checkbox"/> I Cannot Pay Balance		
Lien <input type="checkbox"/> Subordination <input type="checkbox"/> Discharge <input type="checkbox"/> Withdrawal		
Please explain:		
My Spouse Is Responsible <input type="checkbox"/> Innocent Spouse Relief (Please attach Form 8857, Request for Innocent Spouse Relief, to your request.)		
Other (For examples, see page 4) <input type="checkbox"/>		
Reason (You must provide a reason for the dispute or your request for a CDP hearing will not be honored. Use as much space as you need to explain the reason for your request. Attach extra pages if necessary.):		
9. Signatures		
I understand the CDP hearing and any subsequent judicial review will suspend the statutory period of limitations for collection action. I also understand my representative or I must sign and date this request before the IRS Office of Appeals can accept it. If you are signing as an officer of a company add your title (<i>president, secretary, etc.</i>) behind your signature.		
SIGN HERE	Taxpayer 1's Signature	Date
	Taxpayer 2's Signature (<i>if a joint request, both must sign</i>)	Date
<input type="checkbox"/> I request my CDP hearing be held with my authorized representative (<i>attach a copy of Form 2848</i>)		
Authorized Representative's Signature	Authorized Representative's Name	Telephone Number
IRS Use Only		
IRS Employee (Print)	Employee Telephone Number	IRS Received Date
Form 12153 (Rev. 12-2013)	Catalog Number 26685D	www.irs.gov Department of the Treasury - Internal Revenue Service

Collection Appeal Rights

IRS FORM 9423

Collection Appeal Request

(800) 658-7590

www.taxresolutioninstitute.org

IRS Form 9423 CAP

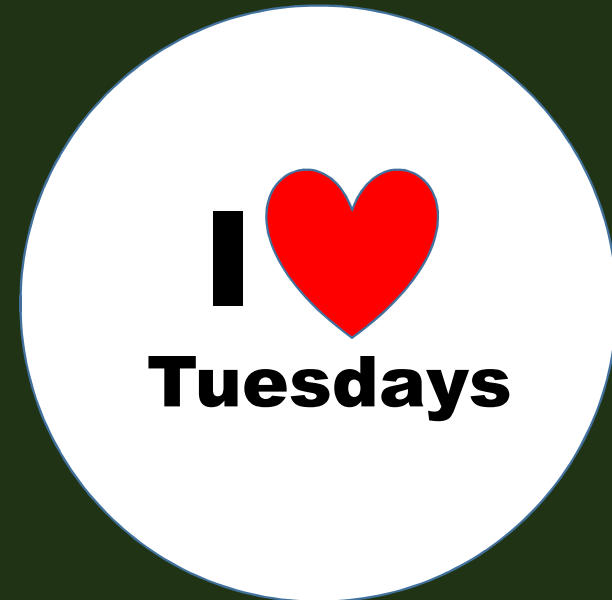
Form 9423 (August 2014)		Department of the Treasury - Internal Revenue Service Collection Appeal Request (Instructions are on the reverse side of this form)			
1. Taxpayer's name		2. Representative (Attach a copy of Form 2848, Power of Attorney)			
3. SSN/EIN	4. Taxpayer's business phone	5. Taxpayer's home phone	6. Representative's phone		
7. Taxpayer's street address					
8. City		9. State	10. ZIP code		
11. Type of tax (Tax form)		12. Tax periods being appealed		13. Tax due	
Collection Action(s) Appealed					
14. Check the Collection action(s) you are appealing					
<input type="checkbox"/> Federal Tax Lien		<input type="checkbox"/> Levy or Proposed Levy		<input type="checkbox"/> Seizure	
<input type="checkbox"/> Rejection of Installment Agreement		<input type="checkbox"/> Termination of Installment Agreement		<input type="checkbox"/> Modification of Installment Agreement	
Explanation					
15. Explain why you disagree with the collection action(s) you checked above and explain how you would resolve your tax problem. Attach additional pages if needed. Attach copies of any documents that you think will support your position. Generally, the Office of Appeals will ask the Collection Function to review, verify and provide their opinion on any new information you submit. We will share their comments with you and give you the opportunity to respond.					
Under penalties of perjury, I declare that I have examined this request and any accompanying documents, and to the best of my knowledge and belief, they are true, correct and complete. A submission by a representative, other than the taxpayer, is based on all information of which the representative has any knowledge.					
16. <input type="checkbox"/> Taxpayer's or <input type="checkbox"/> Authorized Representative's signature (Only check one box)		17. Date signed			
IRS USE ONLY					
18. Revenue Officer's name		19. Revenue Officer's signature		20. Date signed	
21. Revenue Officer's phone		22. Revenue Officer's email address		23. Date received	
24. Collection Manager's name		25. Collection Manager's signature		26. Date signed	
27. Collection Manager's phone		28. Collection Manager's email address		29. Date received	
Form 9423 (Rev. 8-2014) Catalog Number 14109l		www.irs.gov		Department of the Treasury - Internal Revenue Service	

Polling Question 15

Would you be interested in a
free monthly tax webinar?

TRI Tax Tuesdays...

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- Practitioner's Forum
- Featured Courses
- Discounts



Visit www.taxresolutioninstitute.org/courses to see upcoming offers...

Fast Track Settlement and Mediation (income tax audits)

(800) 658-7590

www.taxresolutioninstitute.org

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Purpose

- To provide a quicker result for tax examinations
- Involves Appeals Officer sooner than otherwise may happen
- Either IRS or taxpayer may request either process
- Both parties must agree in order to begin either process

Fast Track Settlement

- Use form 14017
- Entire process should be less than 60 days
- Can be initiated at the appeals level
- Mediator considers hazards of litigation
- Neither the taxpayer nor the IRS (via examining agent) are obligated to accept the mediator's proposal.

Fast Track Settlement

IRS FORM 14017

Application for Fast Track Settlement

(800) 658-7590

www.taxresolutioninstitute.org

**IRS Form
14017
Application
for Fast
Track
Settlement**

Application for Fast Track Settlement					
Submitted to Appeals		From			Type of Tax
Date _____ Location _____		<input type="checkbox"/> LB&I <input type="checkbox"/> SB/SE <input type="checkbox"/> TE/GE <input type="checkbox"/> Other _____			
Taxpayer name			Representative name (if applicable)		
Taxpayer TIN/EIN		Tax years		Name of Firm	
Address			Address		
City	State	Zip	City	State	Zip
Telephone	Fax		Telephone	Fax	
Examination Group / Team Manager				Source (FE/OE/CO, etc)	
City	State	Zip	Telephone	Fax	
Other Participants (if applicable)					
Name		Position or Affiliation		Phone	
Signatures					
The undersigned request Appeals assistance in the Fast Track Settlement (FTS) process. The issues for which this assistance is requested are described in the Form(s) 5701, Summary of Issues or Examination Re-Engineering Lead Sheets or similar documents and the taxpayer's written response, and are attached to this application. By signing this application, taxpayer consents, pursuant to section 6103(c) of the Code, to the disclosure of the taxpayer's returns and return information pertaining to the issues being considered in the FTS process to those persons named on the application as participants in the process. The prohibition against ex parte communications between Appeals personnel and other Service employees provided by section 1001(a) of the Internal Revenue Service Restructuring and Reform Act of 1998 does not apply to the communications arising in FTS because Appeals personnel, in facilitating an agreement between the taxpayer and the other Service Operating Division, are not acting in their traditional Appeals settlement role. IRS employees, taxpayer and persons invited to participate by the IRS or taxpayer will not voluntarily disclose information regarding any communication made during the FTS session, except as provided by statute.					
Taxpayer Signature				Date signed	
Taxpayer Spouse's Signature (if related to a joint return)				Date signed	
Taxpayer(s) Representative Signature				Date signed	
IRS Group / Team Manager Signature				Date signed	
Approving Operating Division Official (Signature and Title)				Date signed	
Accepted by Appeals Official (Appeals Team Manager Signature)				Date signed	
Accepted by Appeals Official (Appeals Program Manager Signature)				Date signed	
<input type="checkbox"/> Industry (IC) <input type="checkbox"/> Coordinated Industry Case (CIC) <input type="checkbox"/> Other _____ Potential Joint Committee <input type="checkbox"/> Yes <input type="checkbox"/> No					
<input type="checkbox"/> Industry <input type="checkbox"/> NR <input type="checkbox"/> HMT <input type="checkbox"/> RFPH <input type="checkbox"/> CTM <input type="checkbox"/> FS MFT: _____ PBC: _____ Listed Transaction <input type="checkbox"/> Yes <input type="checkbox"/> No					
Preferred Conference Site _____				Fast Track End Date _____	
Form 14017 (Rev. 10-2010) Catalog Number 51767Y www.irs.gov Department of the Treasury - Internal Revenue Service					

Fast Track Mediation

- Use form 13369
- Mediator only views items at the examination level
- CANNOT be initiated at the appeals level
- Neither the taxpayer nor the IRS (via examining agent) are obligated to accept the mediators proposal.

Fast Track Mediation

IRS FORM 13369
Agreement to Mediate

IRS Form 13369 Agreement to Mediate

Agreement to Mediate		OMB No. 1545-1844
To: Appeals Team Manager		Date
Compliance Officer Information <i>(The person to contact in Compliance about this case)</i>		
Name	Title	
Office telephone number	ID/Badge number	
Taxpayer's Identification Number (TIN)	Year(s)	
Source (FE/OE/CO, etc.)	MFT	
Type of Tax (1040, 1120 Emp., etc) or Collection Issue (CDP, OIC etc)		
Taxpayer's name	Phone (Include Area Code)	
Home street address (P.O. Boxes are not allowed)		
City	State	ZIP code
Representative's name	Firm name	
Office street address (P.O. Boxes are not allowed)		
City	State	ZIP code
Office phone number (Include Area Code)	FAX number (Include Area Code)	
<p><small>IRS and Treasury employees who participate in any way in the mediation process and any person under contract to the IRS invited to participate, will be subject to the confidentiality and disclosure provisions of the Internal Revenue Code, including I.R.C. sections 6103, 7213, 7213A, and 7431. See also 5 U.S.C. section 574. The parties also acknowledge that IRS and all other Treasury employees involved in the mediation are bound by I.R.C. section 7214(a)(8) and must report information concerning violations of any revenue law to the Secretary. The Mediator will have the right to ask either party for additional information if deemed necessary for a full understanding of the issues being mediated. A copy of any submission a party gives to the mediator will be provided simultaneously to the other party.</small></p> <p><small>The Taxpayer consents to the disclosure by the IRS of the Taxpayer's returns and return information incident to the mediation to any participant or observer for the Taxpayer, including persons providing expert assistance for the IRS. If the mediation agreement is executed by a person pursuant to a power of attorney executed by the Taxpayer, that power of attorney must clearly express the Taxpayer's grant of authority to consent to disclose the Taxpayer's returns and return information by the IRS to third parties, and a copy of that power of attorney must be attached to this agreement.</small></p>		
Taxpayer's signature	Date signed	
Taxpayer's signature	Date signed	
Taxpayer's Representative signature	Date signed	
Compliance Officer's signature	Date signed	
Other Participants <i>(if applicable)</i>		
Name	Position or Affiliation	Phone (Include Area Code)
Name	Position or Affiliation	Phone (Include Area Code)
Name	Position or Affiliation	Phone (Include Area Code)
Form 13369 (4-2003) Catalog Number 35327G www.irs.gov Department of the Treasury - Internal Revenue Service		

Taxpayer Advocate

Use form to request Taxpayer Advocate Service (TAS) assistance when:

- Taxpayer's problem with IRS is causing financial difficulties to taxpayer, taxpayer's family or taxpayer's business
- Taxpayer or taxpayer's business is facing an immediate threat or adverse action
- Taxpayer has tried repeatedly to contact the IRS, but no one has responded, or the IRS has not responded by the date promised
- If TAS does not respond within 1 week, contact TAS office via telephone

Taxpayer Advocate

IRS FORM 911

Request for Taxpayer Advocate

(800) 658-7590

www.taxresolutioninstitute.org

**IRS Form
911
Request for
Taxpayer
Advocate
(page 1 of 2)**

Form 911 (February 2015)		Department of the Treasury - Internal Revenue Service Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order)		OMB Number 1545-1504
Section I – Taxpayer Information (See Pages 3 and 4 for Form 911 Filing Requirements and Instructions for Completing this Form.)				
1a. Your name as shown on tax return		1b. Taxpayer Identifying Number (SSN, ITIN, EIN)		
2a. Spouse's name as shown on tax return (if applicable)		2b. Spouse's Taxpayer Identifying Number (SSN, ITIN)		
3a. Your current street address (Number, Street, & Apt. Number)				
3b. City		3c. State (or Foreign Country)	3d. ZIP code	
4. Fax number (if applicable)	5. Email address			
6. Tax form number (1040, 941, 720, etc.)		7. Tax year(s) or period(s)		
8. Person to contact if Section II is not being used		9a. Daytime phone number	9b. <input type="checkbox"/> Check here if you consent to have confidential information about your tax issue left on your answering machine or voice message at this number.	
10. Best time to call		<input type="checkbox"/> Check if Cell Phone		
11. Preferred language (if applicable) <input type="checkbox"/> TTY/TDD Line <input type="checkbox"/> Interpreter needed - Specify language other than English (including sign language) _____ <input type="checkbox"/> Other (please specify) _____				
12a. Please describe the tax issue you are experiencing and any difficulties it may be creating (If more space is needed, attach additional sheets.) (See instructions for completing Lines 12a and 12b)				
12b. Please describe the relief/assistance you are requesting (If more space is needed, attach additional sheets.)				
I understand that Taxpayer Advocate Service employees may contact third parties in order to respond to this request and I authorize such contacts to be made. Further, by authorizing the Taxpayer Advocate Service to contact third parties, I understand that I will not receive notice, pursuant to section 7602(c) of the Internal Revenue Code, of third parties contacted in connection with this request.				
13a. Signature of Taxpayer or Corporate Officer, and title, if applicable		13b. Date signed		
14a. Signature of spouse		14b. Date signed		
Section II – Representative Information (Attach Form 2848 if not already on file with the IRS.)				
1. Name of authorized representative		2. Centralized Authorization File (CAF) number		
3. Current mailing address		4. Daytime phone number		<input type="checkbox"/> Check if Cell Phone
		5. Fax number		
6. Signature of representative		7. Date signed		
Catalog Number 10905S		www.irs.gov		Form 911 (Rev. 2-2015)

**IRS Form
911
Request for
Taxpayer
Advocate
(page 2 of 2)**

Page 2				
Section III – Initiating Employee Information (Section III is to be completed by the IRS only)				
Taxpayer name			Taxpayer Identifying Number (TIN)	
1. Name of employee	2. Phone number	3a. Function	3b. Operating division	4. Organization code no.
5. How identified and received (Check the appropriate box) IRS Function identified issue as meeting Taxpayer Advocate Service (TAS) criteria <input type="checkbox"/> (r) Functional referral (Function identified taxpayer issue as meeting TAS criteria). <input type="checkbox"/> (x) Congressional correspondence/inquiry not addressed to TAS but referred for TAS handling. Name of Senator/Representative _____ Taxpayer or Representative requested TAS assistance <input type="checkbox"/> (n) Taxpayer or representative called into a National Taxpayer Advocate (NTA) Toll-Free site. <input type="checkbox"/> (s) Functional referral (taxpayer or representative specifically requested TAS assistance).				6. IRS received date
7. TAS criteria (Check the appropriate box. NOTE: Checkbox 9 is for TAS Use Only) <input type="checkbox"/> (1) The taxpayer is experiencing economic harm or is about to suffer economic harm. <input type="checkbox"/> (2) The taxpayer is facing an immediate threat of adverse action. <input type="checkbox"/> (3) The taxpayer will incur significant costs if relief is not granted (including fees for professional representation). <input type="checkbox"/> (4) The taxpayer will suffer irreparable injury or long-term adverse impact if relief is not granted. (if any items 1-4 are checked, complete Question 9 below) <input type="checkbox"/> (5) The taxpayer has experienced a delay of more than 30 days to resolve a tax account problem. <input type="checkbox"/> (6) The taxpayer did not receive a response or resolution to their problem or inquiry by the date promised. <input type="checkbox"/> (7) A system or procedure has either failed to operate as intended, or failed to resolve the taxpayer's problem or dispute within the IRS. <input type="checkbox"/> (8) The manner in which the tax laws are being administered raise considerations of equity, or have impaired or will impair the taxpayer's rights. <input type="checkbox"/> (9) The NTA determines compelling public policy warrants assistance to an individual or group of taxpayers (TAS Use Only)				
8. What action(s) did you take to help resolve the issue? (This block MUST be completed by the initiating employee) If you were unable to resolve the issue, state the reason why (if applicable)				
9. Provide a description of the Taxpayer's situation, and where appropriate, explain the circumstances that are creating the economic burden and how the Taxpayer could be adversely affected if the requested assistance is not provided (This block MUST be completed by the initiating employee)				
10. How did the taxpayer learn about the Taxpayer Advocate Service <input type="checkbox"/> IRS Forms or Publications <input type="checkbox"/> Media <input type="checkbox"/> IRS Employee <input type="checkbox"/> Other (please specify) _____				
Catalog Number 19985S		www.irs.gov		Form 911 (Rev. 2-2015)

Afternoon Break

Get comfortable in front of the IRS....

50% off any course
for the next 15 minutes

This audit course is a must for anyone that represents clients in IRS audits...



IRS Audits...Art or Science

Tax Resolution Essentials



305A | Webinar

Webinar: ~~\$99.00~~ / **\$49.50**
eLearning: ~~\$79.00~~ / **\$39.50** (science only)

Appeals

(part 2)

Tax Court

revisited...

Tax Court

Advantages

- Chances of a favorable result to the taxpayer generally has a high probability
- Over 90% of tax court cases reach settlement prior to trial
- Area Counsel Considers the “Hazards of Litigation”

Tax Court

Disadvantages

- You cannot go to tax court if you have already paid the tax in question (Claims Court or Federal District Court)
- Tax court meets infrequently and a result will take a long time
- Trial is typically calendared more than 6 months from the time a petition is filed
- Small cases often take a year to decide
- Cost to petition (necessity for an attorney)

Polling Question 16

On a scale from 1 – 4 what is your comfort level filing an IRS appeal?

Tax Court

Types of Tax Court

Tax Court

Small Tax Court (S Case) Proceedings

- Cases sent to Office of Appeals
- Cases can not exceed liability of \$50,000 per year
- Nominal filing fee
- Taxpayer will receive notice of trial, standing pre-trial order and trial memorandum
- IRS counsel may request meeting to discuss the case

Tax Court

Small Tax Court (S Case) Proceedings

- Burden of proof is on the taxpayer
- Judge may render decision at trial or by mail
- Court will send bill for remaining taxes
- Legal briefs typically not necessary
- Findings can not be appealed to Court of Appeals

Tax Court

Regular Tax Court Proceedings

- Most cases settle before trial
- Nominal filing fee
- Requires submission of legal briefs by IRS and taxpayer
- May request reclassification as an S Case if taxpayer is willing to waive right to contest tax assessed above \$50,000

US Tax Court Petition Package (page 1 of 5)

Information About Filing a Case in the United States Tax Court

Attached are the forms to use in filing your case in the United States Tax Court.

It is very important that you take time to carefully read the information on this page and that you properly complete and submit these forms to the United States Tax Court, 400 Second Street, N.W., Washington, D.C. 20217.

Small Tax Case or Regular Tax Case

If you seek review of one of the four types of IRS Notices listed in paragraph 1 of the petition form (Form 2), you may file your petition as a "small tax case" if your dispute meets certain dollar limits (described below). "Small tax cases" are handled under simpler, less formal procedures than regular cases. However, the Tax Court's decision in a small tax case cannot be appealed to a Court of Appeals by the IRS or by the taxpayer(s).

You can choose to have your case conducted as either a small tax case or a regular case by checking the appropriate box in paragraph 4 of the petition form (Form 2). If you check neither box, the Court will file your case as a regular case.

Dollar Limits: Dollar limits for a small tax case vary slightly depending on the type of IRS action you seek to have the Tax Court review:

- (1) If you seek review of an IRS Notice of Deficiency, the amount of the deficiency (including any additions to tax or penalties) that you dispute cannot exceed \$50,000 for any year.
- (2) If you seek review of an IRS Notice of Determination Concerning Collection Action, the total amount of unpaid tax cannot exceed \$50,000 for all years combined.
- (3) If you seek review of an IRS Notice of Determination Concerning Your Request for Relief From Joint and Several Liability (or if the IRS failed to send you any Notice of Determination with respect to a request for spousal relief that you submitted to the IRS at least 6 months ago), the amount of spousal relief sought cannot exceed \$50,000 for all years combined.
- (4) If you seek review of an IRS Notice of Determination of Worker Classification, the amount in dispute cannot exceed \$50,000 for any calendar quarter.

Enclosures

To help ensure that your case is properly processed, please enclose the following items when you mail your petition to the Tax Court:

1. A copy of the Notice of Deficiency or Notice of Determination the IRS sent you;
2. Your Statement of Taxpayer Identification Number (Form 4);
3. The Request for Place of Trial (Form 5); and
4. The \$60 filing fee, payable by check, money order, or other draft, to the "Clerk, United States Tax Court"; or, if applicable, the fee waiver form.

For further important information, see the Court's Web site at www.ustaxcourt.gov or the "Persons Representing Themselves Before the U.S. Tax Court" booklet available from the Tax Court.

US Tax Court Petition Package (page 2 of 5)

UNITED STATES TAX COURT www.ustaxcourt.gov

These forms can be filled-in and printed directly from Acrobat Reader. However, please be aware that the information you enter on a form cannot be saved to disk unless you are using the full Adobe Acrobat software suite.

To begin, move your mouse pointer over the Petitioner(s) name field. Your pointer will turn into a vertical beam, indicating that you are over an editable field. Simply click once and begin typing. Use the Tab key to move forward through the form fields (Shift+Tab to move backwards).

(FIRST) (MIDDLE) (LAST)
(PLEASE TYPE OR PRINT) Petitioner(s)
v.
COMMISSIONER OF INTERNAL REVENUE, Respondent
Docket No.

PETITION

1. Please check the appropriate box(es) to show which IRS NOTICE(s) you dispute:

- Notice of Deficiency
Notice of Determination Concerning Your Request for Relief From Joint and Several Liability.
Notice of Determination Concerning Collection Action
Notice of Determination Concerning Worker Classification

2. Provide the date(s) the IRS issued the NOTICE(s) checked above and the city and State of the IRS office(s) issuing the NOTICE(S):

3. Provide the year(s) or period(s) for which the NOTICE(S) was/were issued:

4. SELECT ONE OF THE FOLLOWING:

- If you want your case conducted under small tax case procedures, check here: (CHECK)
If you want your case conducted under regular tax case procedures, check here: (ONE BOX)

NOTE: A decision in a "small tax case" cannot be appealed to a Court of Appeals by the taxpayer or the IRS. If you do not check either box, the Court will file your case as a regular tax case.

5. Explain why you disagree with the IRS determination in this case (please list each point separately):

Blank lines for explaining disagreement with IRS determination.

US Tax Court Petition Package (page 3 of 5)

6. State the facts upon which you rely (please list each point separately):

You may use additional pages to explain why you disagree with the IRS determination or to state additional facts. Please do not submit tax forms, receipts, or other types of evidence with this petition.

ENCLOSURES: Please check the appropriate boxes to show that you have enclosed the following items with this petition:

- A copy of the Determination or Notice the IRS issued to you
- Statement of Taxpayer Identification Number (Form 4) (See PRIVACY NOTICE below)
- The Request for Place of Trial (Form 5) The filing fee

PRIVACY NOTICE: Form 4 (Statement of Taxpayer Identification Number) will not be part of the Court's public files. All other documents filed with the Court, including this Petition and any IRS Notice that you enclose with this Petition, will become part of the Court's public files. To protect your privacy, you are strongly encouraged to omit or remove from this Petition, from any enclosed IRS Notice, and from any other document (other than Form 4) your taxpayer identification number (e.g., your Social Security number) and certain other confidential information as specified in the Tax Court's "Notice Regarding Privacy and Public Access to Case Files", available at www.ustaxcourt.gov.

SIGNATURE OF PETITIONER DATE (AREA CODE) TELEPHONE NO.

MAILING ADDRESS CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): _____

SIGNATURE OF ADDITIONAL PETITIONER (e.g., SPOUSE) DATE (AREA CODE) TELEPHONE NO.

MAILING ADDRESS CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): _____

SIGNATURE OF COUNSEL, IF RETAINED BY PETITIONER(S) NAME OF COUNSEL TAX COURT BAR NO.

MAILING ADDRESS, CITY, STATE, ZIP CODE DATE (AREA CODE) TELEPHONE NO.

**US Tax
Court
Petition
Package
(page 4 of 5)**

UNITED STATES TAX COURT

www.ustaxcourt.gov

	}	Docket No.
v.		
COMMISSIONER OF INTERNAL REVENUE, Respondent		

STATEMENT OF TAXPAYER IDENTIFICATION NUMBER

(E.g., Social Security number(s), employer identification number(s))

Name of Petitioner _____

Petitioner's Taxpayer Identification Number _____

Name of Additional Petitioner _____

Additional Petitioner's Taxpayer Identification Number _____

If either petitioner is seeking relief from joint and several liability on a joint return pursuant to Section 6015, I.R.C. 1986, and Rules 320 through 325, name of the other individual with whom petitioner filed a joint return:

Taxpayer Identification Number of the other individual, if available:

SIGNATURE OF PETITIONER OR COUNSEL

DATE

SIGNATURE OF ADDITIONAL PETITIONER

DATE

**US Tax
Court
Petition
Package
(page 5 of 5)**

UNITED STATES TAX COURT

www.ustaxcourt.gov

Petitioner(s)

v.

COMMISSIONER OF INTERNAL REVENUE,
Respondent

} Docket No.

REQUEST FOR PLACE OF TRIAL

PLACE AN "X" IN ONLY ONE BOX TO REQUEST THE PLACE OF TRIAL. IF PETITIONER(S) ELECTED TO HAVE THE CASE CONDUCTED AS A SMALL TAX CASE, REQUEST ANY CITY LISTED BELOW; OTHERWISE, REQUEST ANY CITY NOT MARKED WITH AN ASTERISK (*).

ALABAMA	KANSAS	OHIO
<input type="checkbox"/> Birmingham	<input type="checkbox"/> Wichita*	<input type="checkbox"/> Cincinnati
<input type="checkbox"/> Mobile	KENTUCKY	<input type="checkbox"/> Cleveland
ALASKA	<input type="checkbox"/> Louisville	<input type="checkbox"/> Columbus
<input type="checkbox"/> Anchorage	LOUISIANA	OKLAHOMA
ARIZONA	<input type="checkbox"/> New Orleans	<input type="checkbox"/> Oklahoma City
<input type="checkbox"/> Phoenix	<input type="checkbox"/> Shreveport*	OREGON
ARKANSAS	MAINE	<input type="checkbox"/> Portland
<input type="checkbox"/> Little Rock	<input type="checkbox"/> Portland*	PENNSYLVANIA
CALIFORNIA	MARYLAND	<input type="checkbox"/> Philadelphia
<input type="checkbox"/> Fresno*	<input type="checkbox"/> Baltimore	<input type="checkbox"/> Pittsburgh
<input type="checkbox"/> Los Angeles	MASSACHUSETTS	SOUTH CAROLINA
<input type="checkbox"/> San Diego	<input type="checkbox"/> Boston	<input type="checkbox"/> Columbia
<input type="checkbox"/> San Francisco	MICHIGAN	SOUTH DAKOTA
COLORADO	<input type="checkbox"/> Detroit	<input type="checkbox"/> Aberdeen*
<input type="checkbox"/> Denver	MINNESOTA	TENNESSEE
CONNECTICUT	<input type="checkbox"/> St. Paul	<input type="checkbox"/> Knoxville
<input type="checkbox"/> Hartford	MISSISSIPPI	<input type="checkbox"/> Memphis
DISTRICT OF COLUMBIA	<input type="checkbox"/> Jackson	<input type="checkbox"/> Nashville
<input type="checkbox"/> Washington	MISSOURI	TEXAS
FLORIDA	<input type="checkbox"/> Kansas City	<input type="checkbox"/> Dallas
<input type="checkbox"/> Jacksonville	<input type="checkbox"/> St. Louis	<input type="checkbox"/> El Paso
<input type="checkbox"/> Miami	MONTANA	<input type="checkbox"/> Houston
<input type="checkbox"/> Tallahassee*	<input type="checkbox"/> Billings*	<input type="checkbox"/> Lubbock
<input type="checkbox"/> Tampa	<input type="checkbox"/> Helena	<input type="checkbox"/> San Antonio
GEORGIA	NEBRASKA	UTAH
<input type="checkbox"/> Atlanta	<input type="checkbox"/> Omaha	<input type="checkbox"/> Salt Lake City
HAWAII	NEVADA	VERMONT
<input type="checkbox"/> Honolulu	<input type="checkbox"/> Las Vegas	<input type="checkbox"/> Burlington*
IDAHO	<input type="checkbox"/> Reno	VIRGINIA
<input type="checkbox"/> Boise	NEW MEXICO	<input type="checkbox"/> Richmond
<input type="checkbox"/> Pocatello*	<input type="checkbox"/> Albuquerque	<input type="checkbox"/> Roanoke*
ILLINOIS	NEW YORK	WASHINGTON
<input type="checkbox"/> Chicago	<input type="checkbox"/> Albany*	<input type="checkbox"/> Seattle
<input type="checkbox"/> Peoria*	<input type="checkbox"/> Buffalo	<input type="checkbox"/> Spokane
INDIANA	<input type="checkbox"/> New York City	WEST VIRGINIA
<input type="checkbox"/> Indianapolis	<input type="checkbox"/> Syracuse*	<input type="checkbox"/> Charleston
IOWA	NORTH CAROLINA	WISCONSIN
<input type="checkbox"/> Des Moines	<input type="checkbox"/> Winston-Salem	<input type="checkbox"/> Milwaukee
	NORTH DAKOTA	WYOMING
	<input type="checkbox"/> Bismarck*	<input type="checkbox"/> Cheyenne*

Signature of Petitioner(s) or Counsel

Date

Tax Court

Who can file a petition?

- Any person who has received a notice of deficiency
- Any person who has received a notice of determination
- In some instances a petition may be filed for relief from joint and several liability (innocent spouse relief)

Tax Court

Who can appear in tax court?

- An attorney admitted to practice in tax court
- A non-attorney admitted to practice in tax court
- A taxpayer without representation

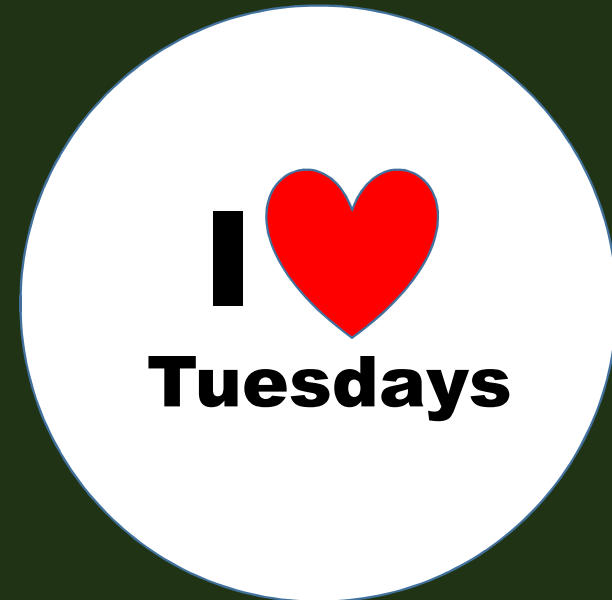
Visit
www.taxresolutioninstitute.org/forms
to access the most
current version of these forms

Polling Question 17

Would you be interested in a free monthly practitioner's forum to have your tax resolution questions answered?

TRI Tax Tuesdays...

- Free Courses
- Practitioner's Forum
- Featured Courses
- Discounts



Visit www.taxresolutioninstitute.org/courses to see upcoming offers...

IRS Criminal Investigation (“CI”)

Overview

- Headquartered in Washington DC
- Approximately 2,600 special agents
- When individuals and corporations make deliberate decisions to not comply with the law, they face the possibility of a civil audit or criminal investigation
- Agents use specialized forensic technology to recover financial data
- Conviction rate is one of the highest in federal law enforcement

History

- Created July 1, 1919
- Called to probe in assertions of tax fraud
- Was originally composed of a small group of postal inspectors
- Became known nationwide when they assisted in the conviction of Al Capone for income tax evasion
- Changed its name to Criminal Investigation (“CI”) in 1978
- Primary objective is to ensure the integrity and fairness of the United States tax system

Polling Question 18

Do you service clients outside your local region?

CI's Main Concerns

- Tax evasion
- Filing a false return
- Failure to file a tax return

Year-over-Year Comparison (2013 – 2015)

	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>
Investigations Initiated	3,853	4,297	5,314
Prosecution Recommendations	3,289	3,478	4,364
Indictments/Information's	3,208	3,272	3,865
Convictions	2,879	3,110	3,311
Sentenced*	3,092	3,268	2,812
Percent to Prison	80.8%	79.6%	80.1%

* Incarceration includes confinement to federal prison, halfway house, home detention, or some combination thereof.

Data Source: Criminal Investigation Management Information System



Summons

In the matter of [redacted]
Internal Revenue Service (Division): Criminal Investigation
Industry/Area (name or number): Houston Field Office
Periods: 2007-2012

The Commissioner of Internal Revenue

To: [redacted]
At: [redacted]

You are hereby summoned and required to appear before Special Agent Jason Webb or his designee an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

See Attachment:

If the production of the requested records is anticipated to cost more than \$100, please contact Jason Webb at (281) 721 - 8382 prior to production.

Sample

Attestation

I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original.

Jason Webb Signature of IRS officer serving the summons
Special Agent Title

Business address and telephone number of IRS officer before whom you are to appear:

8701 S GESSNER #1010, HOUSTON, TX 77074 (281) 721-8382, (281) 635-6666

Place and time for appearance at 8701 S GESSNER #1010, HOUSTON, TX 77074



Department of the Treasury
Internal Revenue Service
www.irs.gov

Form 2039 (Rev. 10-2010)
Catalog Number 21406J

on the 29 day of April, 2013 at 10 o'clock a m.

Issued under authority of the Internal Revenue Code this 17 day of April, 2013

Jason Webb Signature of issuing officer
N/A Title
N/A Signature of approving officer (if applicable)
N/A Title

Part A - to be given to person summoned

Interesting CI Fact

...they tell me that the CI threshold for understatement of tax is \$30,000

Group Discussion

(time permitting)

Polling Question 19

Do you currently measure
your sales results?

Group Discussion

(time permitting)

Polling Question 20

Will you have a nice weekend?

FAQ's

1. **Installment Agreements** – what should I do if my client qualifies for a streamlined installment agreement but is unable to afford the monthly payment amount?
2. **Offer in Compromise** – can my client who has been assessed a Civil Penalty stemming from the Trust Fund portion of payroll tax liability submit an offer?
3. **Bankruptcy** – if my client filed their 2009 tax return on June 15, 2010 which was on extension, can they file for bankruptcy on June 16, 2013 and discharge their 2009 tax liability under the 3-year rule?
4. **Appeals** – which type of appeal, CAP or CDP allows you to make an argument in tax court? (Stay tuned for the next webinar...)

Summary of topics covered today

- Taxes and Bankruptcy
- IRS Appeals
- Innocent spouse relief
- IRS Criminal Investigation (CI)
- Advanced offers in compromise
- Sales

Our mission today...

- 1) Help you make money**
- 2) Teach you how to become a tax resolution specialist;**
- 3) Become your tax resolution partner; or**
- 4) Become your trusted referral source**

Find us on the web at: www.taxresolutioninstitute.org

Email us at: info@taxresolutioninstitute.org

Call us at: (800) 747-8718

I'm Peter Stephan....

...and this is TRI

Thank you

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- Sales segment
- Tax resolution segment
- Workbooks for each segment

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