

Collection Information Statement for Wage Earners and Self-Employed Individuals

Use this form if you are

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

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

Section 1 Personal and Household Information

Last Name Doe		First Name John		Date of Birth (mm/dd/yyyy) 01/01/1965	Social Security Number 123 - 45 - 6789
Marital status <input type="checkbox"/> Unmarried <input checked="" type="checkbox"/> Married	Home Physical Address (Street, City, State, ZIP Code) 12345 Main Street Los Angeles, CA 90017			Do you: <input checked="" type="checkbox"/> Own your home <input type="checkbox"/> Rent <input type="checkbox"/> Other (specify e.g., share rent, live with relative, etc.)	
County of Residence Los Angeles		Primary Phone () -		Home Mailing Address (if different from above or Post Office Box number) Same	
Secondary Phone () -		Fax Number () -			

Provide information about your spouse.

Spouse's Last Name Doe	Spouse's First Name Jane	Date of Birth (mm/dd/yyyy) 01/01/1966	Social Security Number 012 - 34 - 5678
---------------------------	-----------------------------	--	---

Provide information for all other persons in the household or claimed as a dependent.

Name	Age	Relationship	Claimed as a dependent on your Form 1040?	Contributes to household income?
Johnny Doe	10	Son	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Jannie Doe	8	Daughter	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section 2 Employment Information for Wage Earners

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

Your Employer's Name Self Employed		Employer's Address (street, city, state, zip code)	
Do you have an ownership interest in this business? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, check the business interest that applies: <input type="checkbox"/> Partner <input type="checkbox"/> Officer <input type="checkbox"/> Sole proprietor	6789 Main Street Los Angeles, CA 90017	
Your Occupation	How long with this employer (years) (months)		
Spouse's Employer's Name Employer, Inc.		Employer's Address (street, city, state, zip code)	
Does your spouse have an ownership interest in this business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, check the business interest that applies: <input type="checkbox"/> Partner <input type="checkbox"/> Officer <input type="checkbox"/> Sole proprietor	6789 Main Street Los Angeles, CA 90017	
Spouse's Occupation Wage Earner	How long with this employer 3 (years) 8 (months)		

Section 3 Personal Asset Information

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

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

Cash and Investments (domestic and foreign)

<input type="checkbox"/> Cash <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name 1st USA Bank	Account Number 123456789	(1a) \$ 823
<input type="checkbox"/> Checking <input checked="" type="checkbox"/> Savings <input type="checkbox"/> Money Market/CD <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name 1st USA Bank	Account Number 012345678	(1b) \$ 1,000
Total of bank accounts from attachment		(1c) \$
Add lines (1a) through (1c) minus (\$1,000) =		(1) \$ 823
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution N/A	Account Number	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance - \$ _____ =	(2a) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance - \$ _____ =	(2b) \$
Total investment accounts from attachment. [current market value X.8 minus loan balance(s)]		(2c) \$
Add lines (2a) through (2c) =		(2) \$ 0
Retirement Account: <input type="checkbox"/> 401K <input checked="" type="checkbox"/> IRA <input type="checkbox"/> Other		
Name of Financial Institution IRA Bank	Account Number 9876543210	
Current Market Value \$ 12,858 X .8 = \$ 10,286	Minus Loan Balance - \$ 6,286 =	(3a) \$ 4,000
Retirement Account: <input type="checkbox"/> 401K <input type="checkbox"/> IRA <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value \$ _____ X .8 = \$ _____	Minus Loan Balance - \$ _____ =	(3b) \$
Total of retirement accounts from attachment. [current market value X .8 minus loan balance(s)]		(3c) \$
Add lines (3a) through (3c) =		(3) \$ 4,000
Cash Value of Life Insurance Policies		
Name of Insurance Company N/A	Policy Number	
Current Cash Value \$ _____	Minus Loan Balance - \$ _____ =	(4a) \$
Total cash value of life insurance policies from attachment	Minus Loan Balance(s) - \$ _____ =	(4b) \$
Add lines (4a) through (4b) =		(4) \$ 0

Section 3 (Continued)**Personal Asset Information****Real Estate (Enter information about any house, condo, co-op, time share, etc. that you own or are buying)**

Property Address (Street Address, City, State, ZIP Code) 12345 Main Street Los Angeles, CA 90017	Primary Residence <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Date Purchased 01/01/2007	
County and Country Los Angeles, USA	Date of Final Payment 01/01/2030	
How title is held (joint tenancy, etc.) Joint Tenants	Description of Property Single Family Residence	
Current Market Value \$ 425,000	Minus Loan Balance (Mortgages, etc.) X .8 = \$ 340,000	
	– \$ 337,000	(Total Value of Real Estate) = (5a) \$ 3,000
Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	Date Purchased	
County and Country	Date of Final Payment	
How title is held (joint tenancy, etc.)	Description of Property	
Current Market Value	Minus Loan Balance (Mortgages, etc.)	
\$	X .8 = \$	– \$ (Total Value of Real Estate) = (5b) \$
Total value of property(s) from attachment [current market value X .8 minus any loan balance(s)]		(5c) \$
Add lines (5a) through (5c) =		(5) \$ 3,000

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

Vehicle Make & Model Bavarian Motor Works 500i	Year 2016	Date Purchased 01/01/2016	Mileage 13,450	
<input checked="" type="checkbox"/> Lease <input type="checkbox"/> Loan	Name of Creditor BMW Financial Services	Date of Final Payment 12/01/2019	Monthly Lease/Loan Amount \$ 570	
Current Market Value \$ N/A	Minus Loan Balance (Mortgages, etc.) X .8 = \$		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =	(6a) \$ 0
			Subtract \$3,450 from line (6a) (If line (6a) minus \$3,450 is a negative number, enter "0")	(6b) \$ 0
Vehicle Make & Model Honda Pilot	Year 2015	Date Purchased 01/01/2015	Mileage 28,500	
<input type="checkbox"/> Lease <input checked="" type="checkbox"/> Loan	Name of Creditor Honda Financial Services	Date of Final Payment 12/01/2021	Monthly Lease/Loan Amount \$ 400	
Current Market Value \$ 23,500	Minus Loan Balance (Mortgages, etc.) X .8 = \$ 18,800		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =	(6c) \$ 4,450
			If you are filing a joint offer, subtract \$3,450 from line (6c) (If line (6c) minus \$3,450 is a negative number, enter "0") If you are not filing a joint offer, enter the amount from line (6c)	(6d) \$ 1,000
Total value of vehicles listed from attachment [current market value X .8 minus any loan balance(s)]				(6e) \$
Total lines (6b), (6d), and (6e) =				(6) \$ 1,000

Section 3 (Continued) Personal Asset Information

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

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

Description of asset: N/A		
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____ =	(7a) \$ _____
Description of asset:		
Current Market Value	Minus Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____ =	(7b) \$ _____
Total value of valuable items listed from attachment [current market value X .8 minus any loan balance(s)]		(7c) \$ _____
Add lines (7a) through (7c) =		(7) \$ _____ 0
Do not include amount on the lines with a letter beside the number. Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. Add lines (1) through (7) and enter the amount in Box A =		Box A Available Individual Equity in Assets \$ _____ 8,823

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

Section 4 Self-Employed Information

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

Is your business a sole proprietorship? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Address of Business (If other than personal residence) 12345 Main Street Los Angeles, CA 90017	
Name of Business Self Employed Sales Person			
Business Telephone Number () -	Employer Identification Number 95-123456	Business Website www.selfemployedsalesperson.com	Trade Name or DBA Sales
Description of Business Sales	Total Number of Employees 0	Frequency of Tax Deposits N/A	Average Gross Monthly Payroll \$ 0
Do you or your spouse have any other business interests? Include any interest in an LLC, LLP, corporation, partnership, etc. <input type="checkbox"/> Yes (Percentage of ownership:) Title: <input checked="" type="checkbox"/> No		Business Address (Street, City, State, ZIP code)	
Business Name		Business Telephone Number () -	Employer Identification Number
Type of business (Select one) <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Other			

Section 5 Business Asset Information (for Self-Employed)

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

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

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

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

Description of asset:

N/A

Current Market Value	Minus Loan Balance	<i>(if leased or used in the production of income, enter 0 as the total value)</i>	=	(9a) \$
\$ _____ X .8 = \$ _____	- \$ _____			
Description of asset:				
Current Market Value	Minus Loan Balance	<i>(if leased or used in the production of income, enter 0 as the total value)</i>	=	(9b) \$
\$ _____ X .8 = \$ _____	- \$ _____			
Total value of assets listed from attachment [current market value X .8 minus any loan balance(s)]				(9c) \$
Add lines (9a) through (9c) =				(9) \$ 0
IRS allowed deduction for professional books and tools of trade -				(10) \$ [4,600]
Enter the value of line (9) minus line (10). If less than zero enter zero. =				(11) \$ 0
Notes Receivable				
Do you have notes receivable? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, attach current listing that includes name(s) and amount of note(s) receivable.				
Accounts Receivable				
Do you have accounts receivable, including e-payment, factoring companies, and any bartering or online auction accounts? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, you may be asked to provide a list of your account(s) receivable.				
Do not include amounts from the lines with a letter beside the number [for example: (9c)]. Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line.				Box B
Add lines (8) and (11) and enter the amount in Box B =				Available Business Equity in Assets
				\$ 0

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

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

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

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

Gross receipts	(12) \$	14,656
Gross rental income	(13) \$	
Interest income	(14) \$	
Dividends	(15) \$	
Other income	(16) \$	
Add lines (12) through (16) =		(17) \$

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

Materials purchased (e.g., items directly related to the production of a product or service)	(18) \$	2,994
Inventory purchased (e.g., goods bought for resale)	(19) \$	
Gross wages and salaries	(20) \$	
Rent	(21) \$	
Supplies (items used to conduct business and used up within one year, e.g., books, office supplies, professional equipment, etc.)	(22) \$	1,560
Utilities/telephones	(23) \$	
Vehicle costs (gas, oil, repairs, maintenance)	(24) \$	
Business Insurance	(25) \$	1,340
Current Business Taxes (e.g., Real estate, excise, franchise, occupational, personal property, sales and employer's portion of employment taxes)	(26) \$	
Secured debts (not credit cards)	(27) \$	
Other business expenses (include a list)	(28) \$	100
Add lines (18) through (28) =		(29) \$ 5,994
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line.		Box C
Subtract line (29) from line (17) and enter the amount in Box C =		Net Business Income
		\$ 8,662

Section 7 Monthly Household Income and Expense Information

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

Monthly Household Income

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

Round to the nearest whole dollar.

Primary taxpayer				
Gross Wages	Social Security	Pension(s)	Other Income (e.g. unemployment)	
\$ _____	+ \$ _____	+ \$ _____	+ \$ _____	Total primary taxpayer income = (30) \$ _____
Spouse				
Gross Wages	Social Security	Pension(s)	Other Income (e.g. unemployment)	
\$ 4,768	+ \$ _____	+ \$ _____	+ \$ _____	Total spouse income = (31) \$ _____ 4,768
Additional sources of income used to support the household, e.g., non-liable spouse, or anyone else who may contribute to the household income, etc.				(32) \$ _____
Interest and dividends				(33) \$ _____
Distributions (e.g., income from partnerships, sub-S Corporations, etc.)				(34) \$ _____
Net rental income				(35) \$ _____
Net business income from Box C				(36) \$ _____ 8,662
Child support received				(37) \$ _____
Alimony received				(38) \$ _____
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. Add lines (30) through (38) and enter the amount in Box D =				Box D Total Household Income \$ _____ 13,430

Monthly Household Expenses

Enter your average monthly expenses.

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

Round to the nearest whole dollar.

Food, clothing, and miscellaneous (e.g., housekeeping supplies, personal care products, minimum payment on credit card). A reasonable estimate of these expenses may be used.	(39) \$ _____	1,509
Housing and utilities (e.g., rent or mortgage payment and average monthly cost of property taxes, home insurance, maintenance, dues, fees and utilities including electricity, gas, other fuels, trash collection, water, cable television and internet, telephone, and cell phone).	(40) \$ _____	2,984
Vehicle loan and/or lease payment(s)	(41) \$ _____	970
Vehicle operating costs (e.g., average monthly cost of maintenance, repairs, insurance, fuel, registrations, licenses, inspections, parking, tolls, etc.). A reasonable estimate of these expenses may be used.	(42) \$ _____	600
Public transportation costs (e.g., average monthly cost of fares for mass transit such as bus, train, ferry, taxi, etc.). A reasonable estimate of these expenses may be used.	(43) \$ _____	
Health insurance premiums	(44) \$ _____	674
Out-of-pocket health care costs (e.g. average monthly cost of prescription drugs, medical services, and medical supplies like eyeglasses, hearing aids, etc.)	(45) \$ _____	216
Court-ordered payments (e.g., monthly cost of any alimony, child support, etc.)	(46) \$ _____	
Child/dependent care payments (e.g., daycare, etc.)	(47) \$ _____	219
Life insurance premiums	(48) \$ _____	135
Current monthly taxes (e.g., monthly cost of federal, state, and local tax, personal property tax, etc.)	(49) \$ _____	5,604

Section 7 Monthly Household Income and Expense Information (Continued)

Secured debts (e.g., any loan where you pledged an asset as collateral not previously listed, government guaranteed Student Loan)	(50) \$
Enter the amount of your monthly delinquent State and/or Local Tax payment(s)	(51) \$
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. Add lines (39) through (51) and enter the amount in Box E =	Box E Total Household Expenses \$ 12,911
Round to the nearest whole dollar. Do not enter a negative number. If any line item is a negative, enter "0" on that line. Subtract Box E from Box D and enter the amount in Box F =	Box F Remaining Monthly Income \$ 519

Section 8 Calculate Your Minimum Offer Amount

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

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

Round to the nearest whole dollar.

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

Enter the total from Box F \$ 519	X 12 =	Box G Future Remaining Income \$ 6,228
--------------------------------------	---------------	--

If you will pay your offer in 6 to 24 months, multiply "Remaining Monthly Income" (Box F) by 24 to get "Future Remaining Income" (Box H). Do not enter a number less than \$0.

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

Determine your minimum offer amount by adding the total available assets from Box A and Box B (if applicable) to the amount in either Box G or Box H.

Enter the amount from Box A plus Box B (if applicable) \$ 8,823	+	Enter the amount from either Box G or Box H \$ 6,228	=	Offer Amount Your offer must be more than zero (\$0). Do not leave blank. Use whole dollars only. \$ 15,051
--	---	---	---	--

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

Section 9 Other Information

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

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

Yes No

Are you currently in bankruptcy?

Yes No

Have you filed bankruptcy in the past 10 years?

Yes No

Discharge/Dismissal Date (mm/dd/yyyy)

Location Filed

Are you or have you been party to a lawsuit?

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

Yes No

If yes, provide description, location, and value.



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

Yes No If yes, how much \$ Where:

Section 10

Signatures

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

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

Remember to include all applicable attachments listed below.

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