



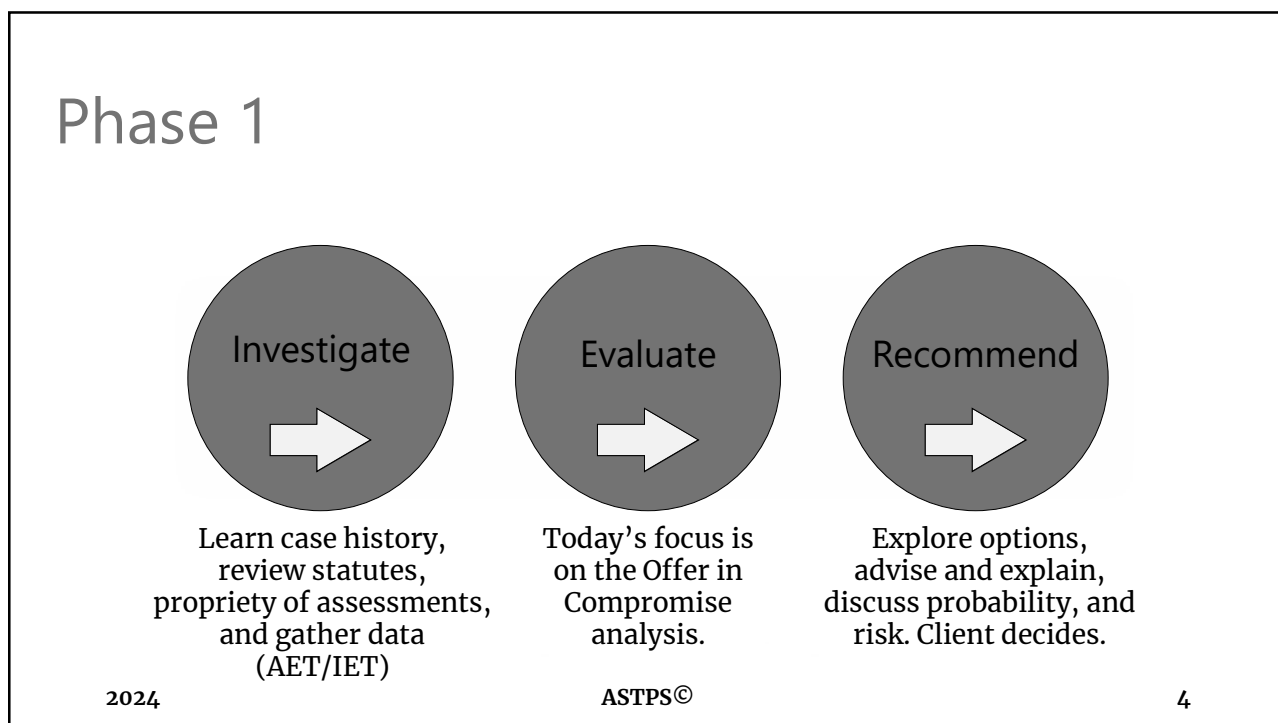
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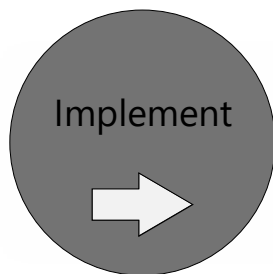


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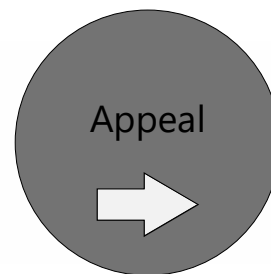
Phase 2



Prepare and submit appropriate forms and documents.



Present taxpayer's best case to OE/OS



Request Independent Appeals review of unagreed Items

Polling Question

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Initial Step



Secure transcripts: to review ASOLs & CSOLs and to determine un-filed returns & un-paid taxes

May involve preparation of returns to reduce liability or for compliance.

Determine the actual amount of tax liability.

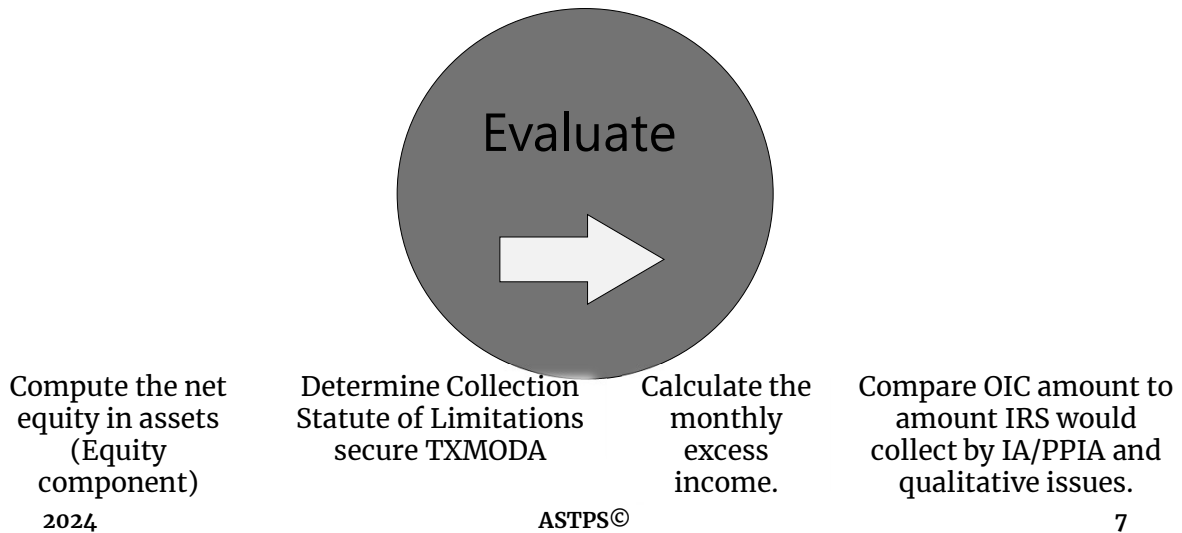
Determine the taxpayer's ability to pay. (Financial questionnaire).

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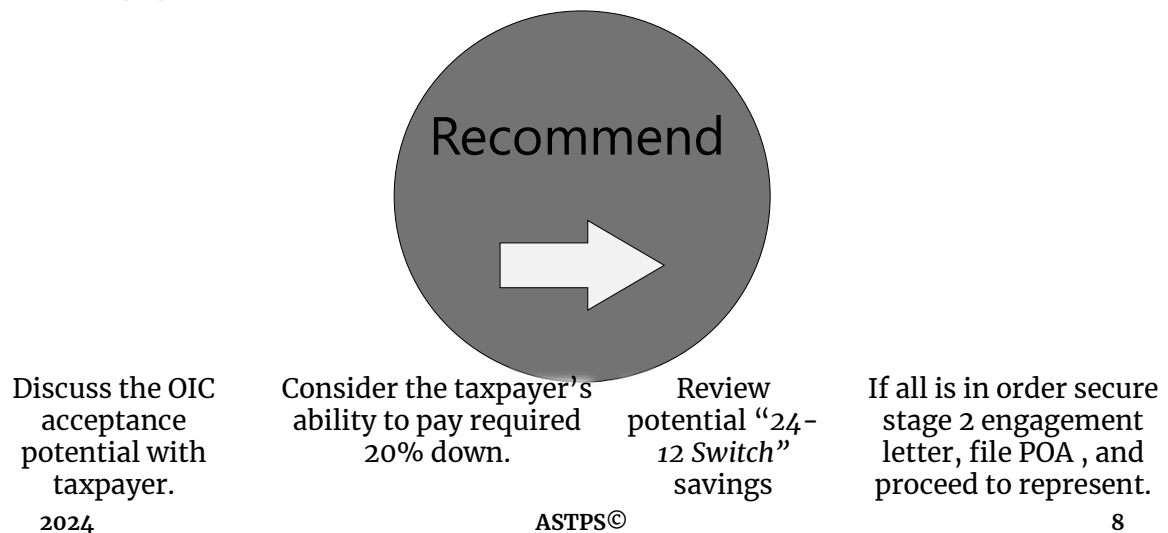
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Step Two



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Step Three



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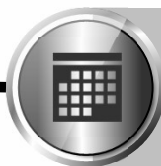
Small income components
gain little benefit from the
"24-12 Switch"

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The "24-12 Switch" is
inappropriate for a t/p
unable to pay in 5 months

Polling Question

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9465 **Installment Agreement Request**

Use this form to request an installment agreement with the IRS. You must complete this form if you are requesting an installment agreement for a tax liability that is not in dispute.

Section 1: Taxpayer Information

Name: **John Doe**
 Address: **123 Main Street, Buffalo, NY 14201**
 Social Security Number: **123-45-6789**

Section 2: Financial Information

Annual income: **\$10,000**
 Annual expenses: **\$8,000**
 Assets: **\$5,000**
 Liabilities: **\$2,000**

Section 3: Declaration

I declare that the information provided on this form is true and correct to the best of my knowledge and belief.

656 **Offer in Compromise**

Use this form to make an offer to settle your tax liability for less than the full amount owed. You must complete this form if you are making an offer in compromise for a tax liability that is not in dispute.

Section 1: Taxpayer Information

Name: **John Doe**
 Address: **123 Main Street, Buffalo, NY 14201**
 Social Security Number: **123-45-6789**

Section 2: Financial Information

Annual income: **\$10,000**
 Annual expenses: **\$8,000**
 Assets: **\$5,000**
 Liabilities: **\$2,000**

Section 3: Declaration

I declare that the information provided on this form is true and correct to the best of my knowledge and belief.

Installment Agreement
 Amount collectible,
 time to breakeven

Offer in Compromise
 Best interests of
 the government

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1041 **OIC Computation**

Use this form to calculate the minimum offer amount for an Offer in Compromise. You must complete this form if you are making an offer in compromise for a tax liability that is not in dispute.

Section 1: Taxpayer Information

Name: **John Doe**
 Address: **123 Main Street, Buffalo, NY 14201**
 Social Security Number: **123-45-6789**

Section 2: Financial Information

Annual income: **\$10,000**
 Annual expenses: **\$8,000**
 Assets: **\$5,000**
 Liabilities: **\$2,000**

Section 3: Declaration

I declare that the information provided on this form is true and correct to the best of my knowledge and belief.

1041 **OIC Payment Terms**

Use this form to specify the payment terms for an Offer in Compromise. You must complete this form if you are making an offer in compromise for a tax liability that is not in dispute.

Section 1: Taxpayer Information

Name: **John Doe**
 Address: **123 Main Street, Buffalo, NY 14201**
 Social Security Number: **123-45-6789**

Section 2: Financial Information

Annual income: **\$10,000**
 Annual expenses: **\$8,000**
 Assets: **\$5,000**
 Liabilities: **\$2,000**

Section 3: Declaration

I declare that the information provided on this form is true and correct to the best of my knowledge and belief.

OIC Computation
 Two options, 24 or
 12 multiplier

OIC Payment Terms
 Payments may be
 structured

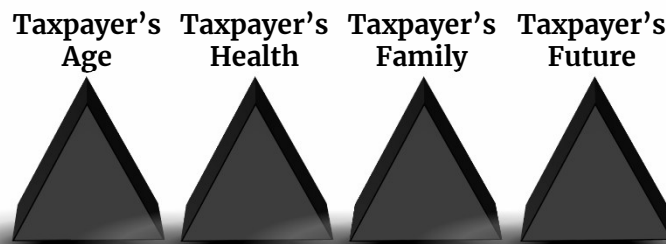
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Additional factors for IRS to consider on an OIC



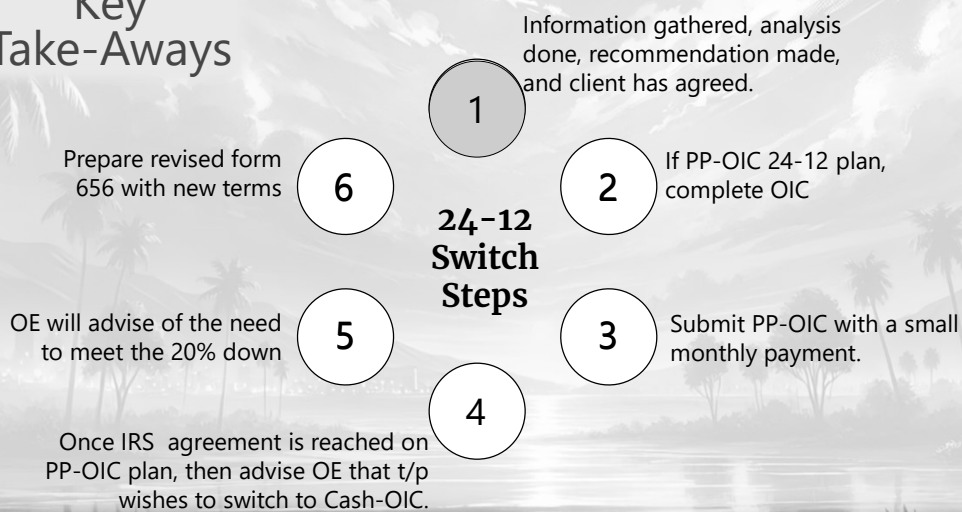
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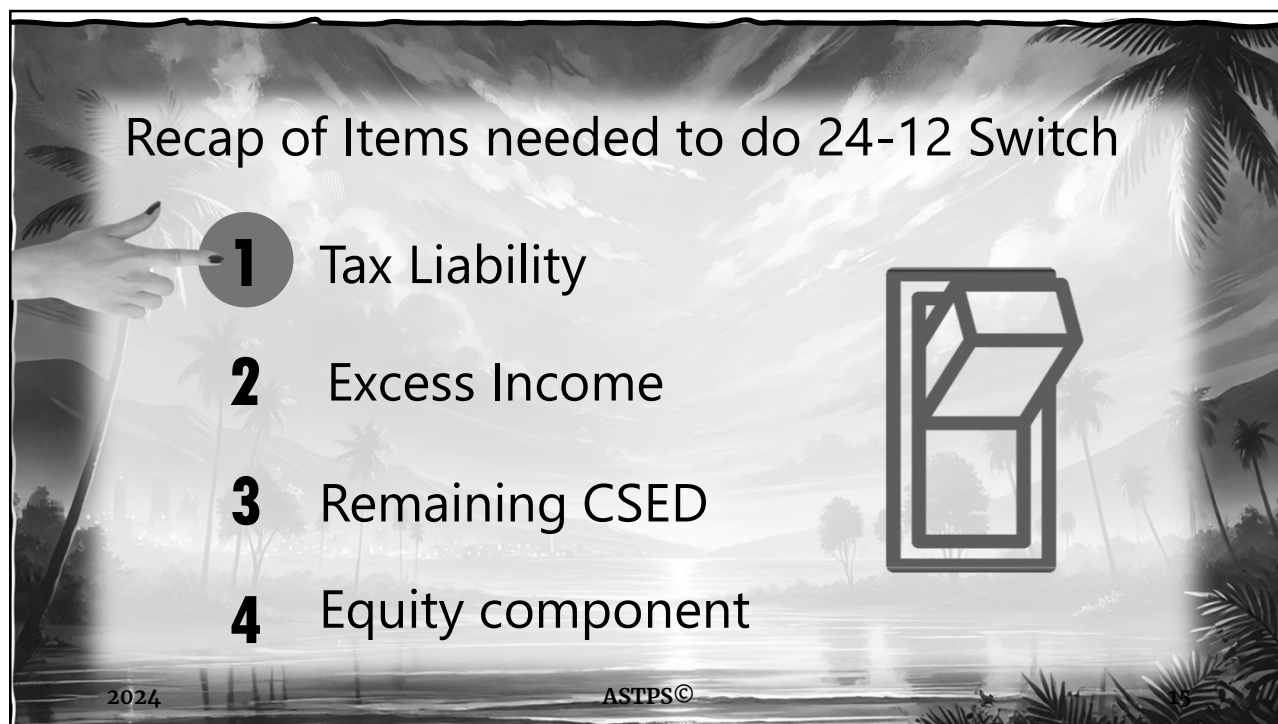
Key Take-Aways



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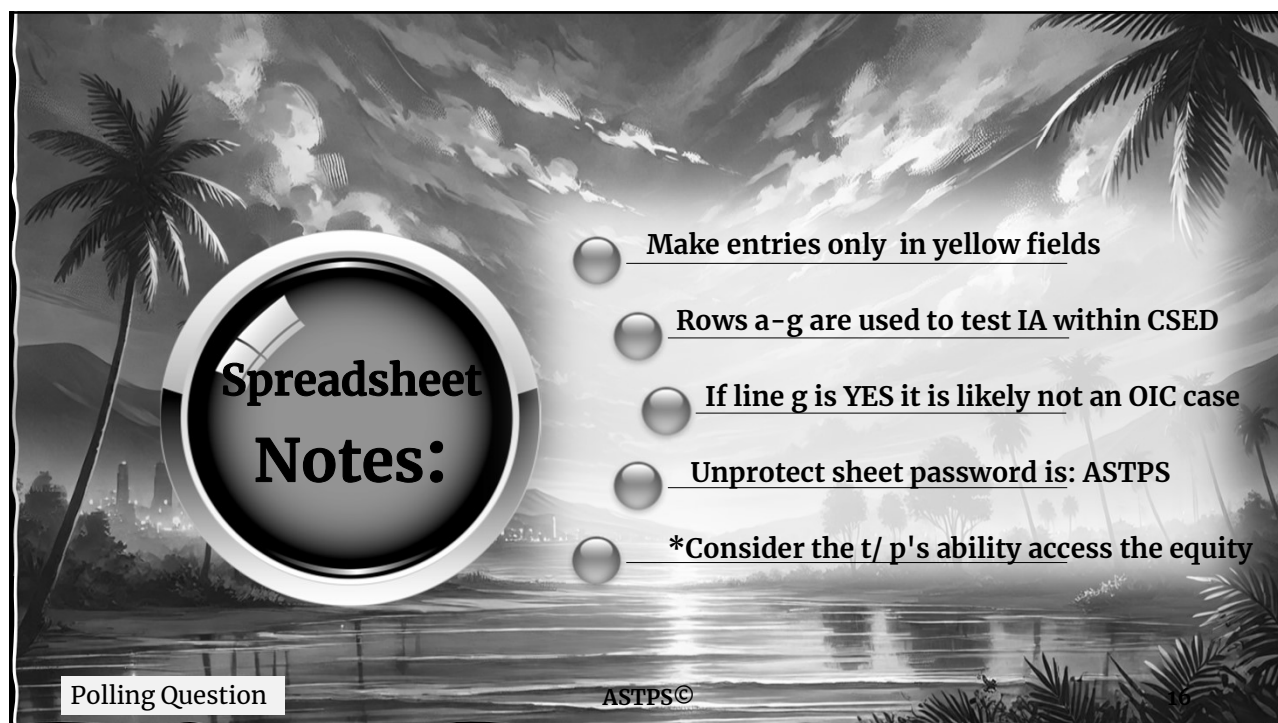
Recap of Items needed to do 24-12 Switch

- 1 Tax Liability
- 2 Excess Income
- 3 Remaining CSED
- 4 Equity component



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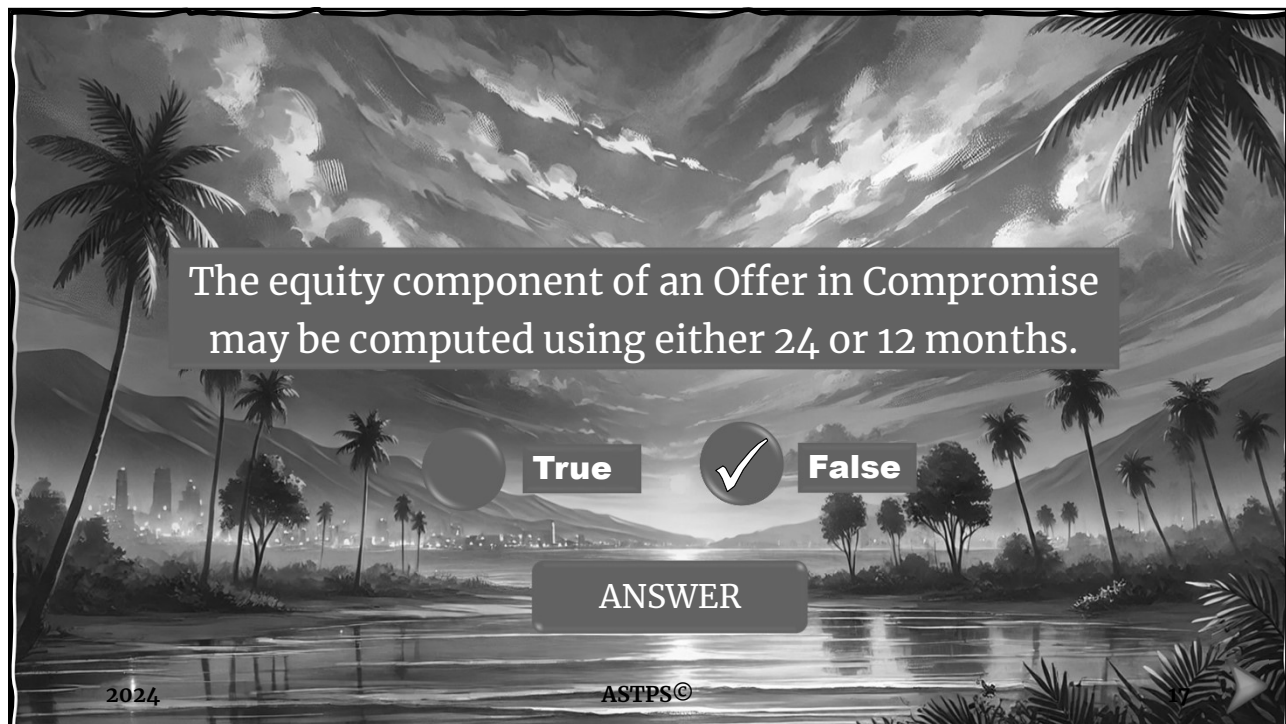
Spreadsheet Notes:

- Make entries only in yellow fields
- Rows a-g are used to test IA within CSED
- If line g is YES it is likely not an OIC case
- Unprotect sheet password is: ASTPS
- *Consider the t/ p's ability access the equity

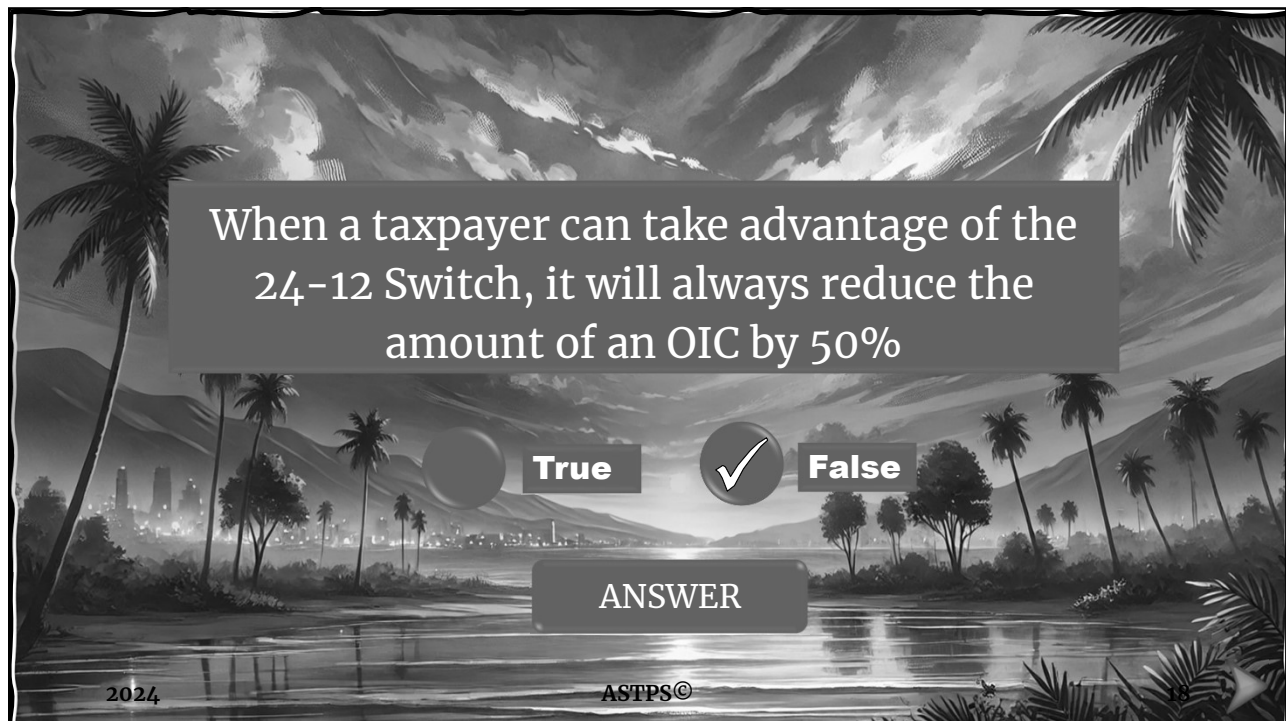
Polling Question

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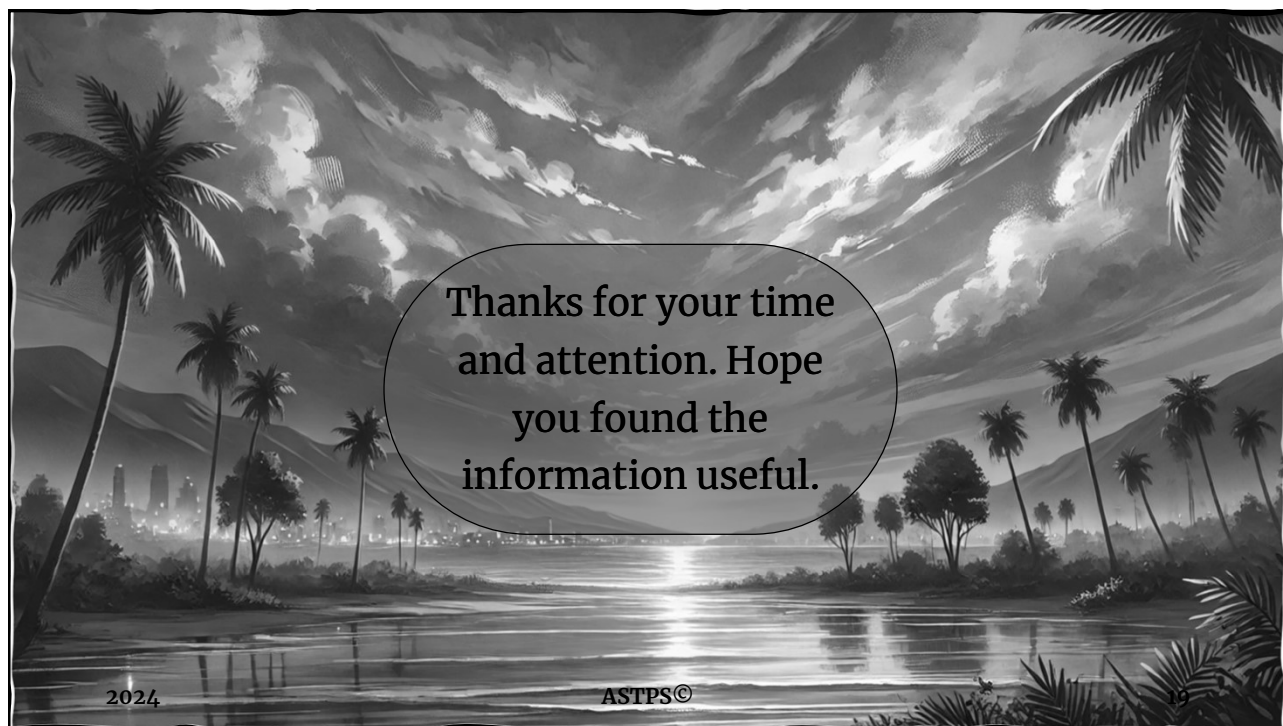
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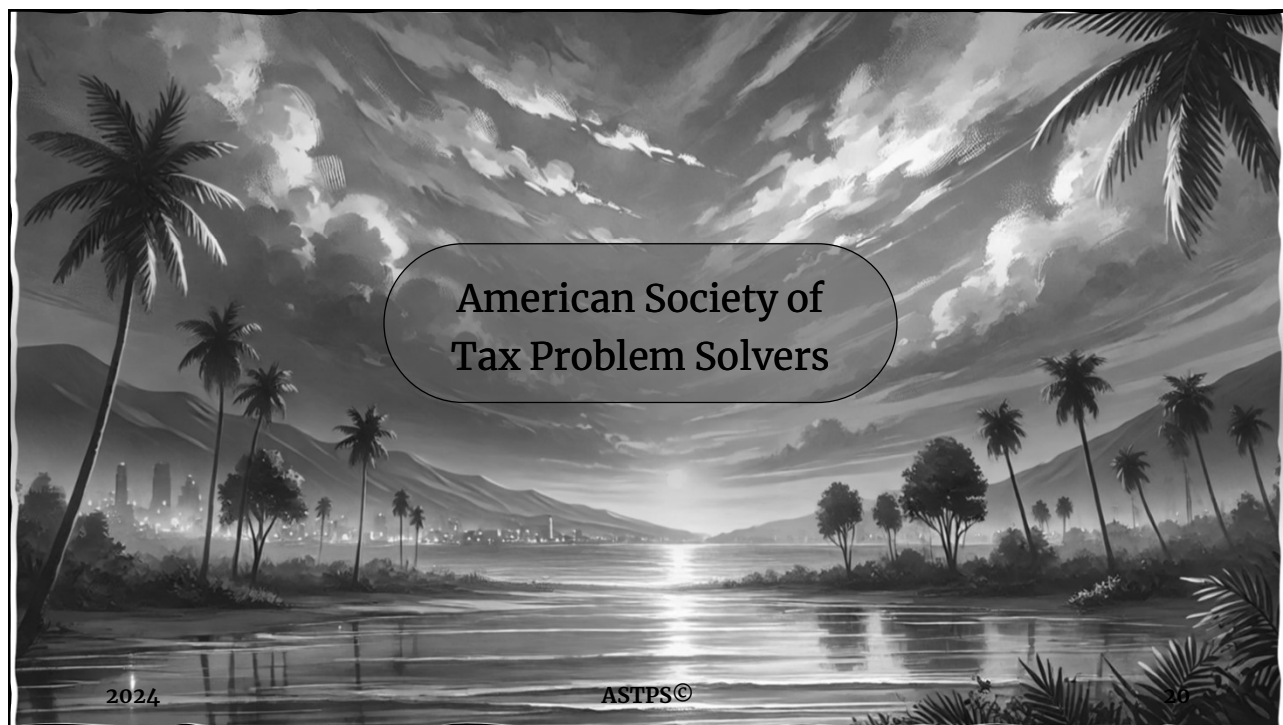


Thanks for your time
and attention. Hope
you found the
information useful.

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American Society of
Tax Problem Solvers

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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 (which included the amount(s) allowed for vehicles and bank accounts) do not apply if the 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

\$ 0

X 12 =

Box G Future Remaining Income

\$ 0

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

\$ 0

X 24 =

Box H Future Remaining Income

\$ 0

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)

\$ 0

+

Enter the amount from either
Box G or Box H

\$ 0

=

Offer Amount

Your offer must be more than zero (\$0). Do not leave blank. Use whole dollars only.

\$ 0

If you cannot pay the Offer Amount shown above due to special circumstances, explain on the Form 656, Offer in Compromise, Section 3, Reason for Offer. You must offer an amount more than \$0.

[Return](#)