



Form 656 Booklet

Offer in Compromise

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IRS contact information

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

Taxpayer resources

You may also seek assistance from a professional tax assistant at a Low Income Taxpayer Clinic, if you qualify. These clinics provide help to qualified taxpayers at little or no charge. IRS Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area and is available through the IRS website at www.irs.gov, by phone at 1-800-TAX-FORM (1-800-829-3676), or at your local IRS office.

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WHAT YOU NEED TO KNOW

What is an offer?

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

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

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

Are you eligible?

Before you submit your offer, you must (1) file all tax returns you are legally required to file, (2) make all estimated tax payments for the current year, and (3) make all required federal tax deposits for the current quarter if you are a business owner with employees.

Bankruptcy

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

If you are not sure of your bankruptcy status, call your local IRS insolvency office. If you do not know the location of your local insolvency office, call 1-800-829-1040.

Doubt as to Liability

If you have a legitimate doubt that you owe part or all of the tax debt you will need to complete a **Form 656-L Offer in Compromise (Doubt as to Liability)**. The Form 656-L is not included as part of this package. To submit a doubt to liability offer, you may request a form by calling the toll free number 1-800-829-1040, or by visiting a local IRS office, or at www.irs.gov.

Other important facts

Penalties and interest will continue to accrue during the offer evaluation process.

The IRS may file a Notice of Federal Tax Lien (lien) anytime during the evaluation process. A lien gives the IRS a legal claim to your property as security for payment of your tax debt. The lien will generally not be released until the terms of the offer are satisfied, or the tax debt is paid in full, whichever comes first.

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

The IRS will keep your tax refund for the tax year the offer is accepted. For example, if your offer is accepted in 2011 and you file your 2011 Form 1040 on April 15, 2012, showing a refund, the IRS will apply your refund to your tax debt.

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The IRS may keep any proceeds from a levy served prior to sending in your offer. If a levy has been served after the offer was sent in, immediately contact the IRS person whose name and phone number are listed on the levy.

If you currently have an approved installment agreement with IRS and are making installment payments, then you may stop making those installment agreement payments when you submit an offer.

PAYING FOR YOUR OFFER

Application fee

All offers require a \$150 application fee.

If you are an individual and meet the Low Income Certification guidelines (see page 2 of Form 656, Offer in Compromise), you will not be required to send the application fee.

Payment options

Submitting an offer requires the selection of a payment option as well as sending an initial down payment with your application. The amount of the initial down payment and subsequent payments will depend on the total amount of your offer and which of the following payment options you choose.

Payment option 1: This option requires 20% of the total offer amount as a down payment and the remaining balance paid in five or fewer payments.

Payment option 2: This option requires the first month's payment as a down payment and the remaining balance can be paid in monthly payments. Under this option, **you must continue to make regular monthly payments while the IRS is evaluating your offer. Failure to make regular monthly payments will cause your offer to be returned.**

The length of the payment option you choose may affect the amount of the offer we will accept. Generally, an offer paid within five months of acceptance will require a lesser amount.

If you meet the Low Income Certification guidelines, you will not be required to send the initial down payment, or make the monthly payments during the evaluation of your offer but you will still need to choose one of the payment options.

If your offer is returned or not accepted, any required payment(s) made with the filing of your offer will not be refunded. Your payment(s) will be applied to your tax debt.

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

Future tax obligations

If your offer is accepted, you must continue to timely file and pay your tax obligations. If you fail to file and pay your required tax returns, during the five years after your offer is accepted, your offer may be defaulted. If your offer is defaulted, all compromised tax debts will be reinstated.

HOW TO APPLY

Application process

The application involves filling out Form 433-A (OIC) (Collection Information Statement for Wage Earners and Self-Employed Individuals) **and/or** Form 433-B (OIC) (Collection Information Statement for Businesses), filling out a Form 656 (Offer in Compromise), attaching an initial down payment, and attaching a \$150 application fee for each offer you send in.

If you and your spouse owe joint and separate tax debts

If you have joint tax debt(s) with your spouse and also have an individual tax debt(s), you and your spouse will fill out one Form 656 with all of the joint tax debt(s) and a second Form 656 with your individual tax debt(s).

If you and your spouse have joint tax debt(s) and you are also each responsible for an individual tax debt(s), you will each need to file a separate Form 656. You will complete one Form 656 for yourself listing all your joint and separate tax debts and your spouse will complete one Form 656 listing all joint and individual tax debts.

Each Form 656 will require the \$150 application fee and initial down payment unless our household meets the Low Income Certification guidelines (See page 2 of Form 656, Offer in Compromise).

COMPLETING THE APPLICATION PACKAGE

Step 1 – Gather your information

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

You will also need to gather information about your average gross monthly household income and expenses. The entire household includes spouse, significant other, children, and others that contribute to the household. This is necessary for the IRS to accurately evaluate your offer. In general, the IRS will not accept expenses for tuition for private schools, college expenses, charitable contributions, credit card payments, and other unsecured debt payments as part of the expenses calculation.

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

Fill out the Form 433-A(OIC) if you are an individual wage earner and/or a self-employed individual to calculate an appropriate offer amount based on your assets, income, expenses, and future earning potential. You will have the opportunity to provide a written explanation of any special circumstances that affect your financial situation.

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

Fill out the Form 433-B(OIC) if your business is a Corporation, Partnership, Limited Liability Company (LLC), classified as a corporation, or other multi-owner/multi-member LLC.

Step 4 – Attach required documentation

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

Step 5- Fill out Form 656, Offer in Compromise

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

The Low Income Certification guidelines are included on Form 656. If you an individual and meet the guidelines, check the box on Form 656.

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Step 6 – Include initial down payment and \$150 application fee

✍ Write a check or money order for your initial down payment based on the payment option you selected (20% of offer amount or first month's installment).

✍ Write a separate check or money order for the application fee (\$150).

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

Make both payments payable to the "United States Treasury."

Step 7 – Mail the application package

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

Mail the application package to the appropriate IRS facility. See page 22 for details.

IMPORTANT INFORMATION

After you mail your application, continue to:

File all tax returns you are legally required to file.

Make all estimated tax payments and federal tax deposits due.

Reply to IRS requests for additional information within the timeframe specified.

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
 - An individual responsible for a Trust Fund Recovery Penalty
 - An individual who is personally responsible for a partnership liability
- An individual owner of a limited liability company (LLC) that is a disregarded entity
 - 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.

Wage earners Complete sections 1, 3, 6, and 7 including signature line on page 7.

Self-employed individuals Complete all sections and signature line on page 7

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

Section 1 Personal and Household Information

Last Name		First Name		Date of Birth	Social Security Number - -
Marital status <input type="checkbox"/> Married <input type="checkbox"/> Unmarried	Home Address (Street, City, State, ZIP Code)			Do you: <input type="checkbox"/> Own your home <input type="checkbox"/> Rent <input type="checkbox"/> Other (specify e.g., share rent, live with relative, etc.)	
County of Residence			Mailing Address (if different)		
Primary Phone () -	Secondary Phone () -				
Occupation			Employer's Address (Street, City, State, ZIP Code)		
Employer's Name					

Provide information about your spouse and other persons living in the household.

Spouse's Last Name		First Name		Date of Birth	Social Security Number - -
Occupation			Employer's Address (Street, City, State, ZIP Code)		
Employer's Name					

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

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

Section 2 Self-employed Information

If you or your spouse is self-employed, complete this section.

Is your business a sole proprietorship (filing Schedule C)? <input type="checkbox"/> Yes <input type="checkbox"/> No		Address of Business (If other than personal residence)			
Name of Business					
Business Telephone Number () -	Employer Identification Number	Business Website			
Description of Business	Total Number of Employees	Frequency of Tax Deposits	Average Gross Monthly Payroll \$	Accounting Method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual	

Section 2 Self-employed Information - (Continued)

Do you or your spouse have any other business interest? <input type="checkbox"/> Yes (Percentage of ownership: _____) <input type="checkbox"/> No		Business Address
Business Name		
Business Telephone Number (____) _____ - _____	Business Identification Number	
Type of business <input type="checkbox"/> Partnership <input type="checkbox"/> Single member LLC <input type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Other		

Section 3 Personal Asset Information

If any total below results in a negative number, enter "0".

Cash and Investments

Enter the total amount available for each of the following (if additional space is needed attach a separate piece of paper). 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 or benefit card from government agency), 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.

Cash on hand (include cash that is not in a bank)	(1a) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card	
Bank Name _____ Account Number _____	
	(1b) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card	
Bank Name _____ Account Number _____	
	(1c) \$
Total value of bank accounts from separate paper	(1d) \$
Add lines (1a) through (1d) =	(1) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other	
Name of Financial Institution _____ Account Number _____	
Current Market Value _____ Less Loan Balance _____ \$ _____ X .8 = \$ _____ - \$ _____ =	(2a) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other	
Name of Financial Institution _____ Account Number _____	
Current Market Value _____ Less Loan Balance _____ \$ _____ X .8 = \$ _____ - \$ _____ =	(2b) \$
Total of investment accounts from separate paper. [current market value X.8 less loan balance(s)]	(2c) \$
Add lines (2a) through (2c) =	(2) \$
Retirement Account: <input type="checkbox"/> 401k <input type="checkbox"/> IRA <input type="checkbox"/> Other	
Name of Financial Institution _____ Account Number _____	
Current Market Value _____ Less Loan Balance _____ \$ _____ X .8 = \$ _____ - \$ _____ =	(3a) \$
Retirement Account: <input type="checkbox"/> 401k <input type="checkbox"/> IRA <input type="checkbox"/> Other	
Name of Financial Institution _____ Account Number _____	
Current Market Value _____ Less Loan Balance _____ \$ _____ X .8 = \$ _____ - \$ _____ =	(3b) \$
Total of investment accounts from separate paper. [current market value X .8 less loan balance(s)]	(3c) \$
Add lines (3a) through (3c) =	(3) \$

Section 3 Personal Asset Information - (Continued)

Cash value of life insurance policies		
Name of Insurance Company	Policy Number	
Current Market Value	Less Loan Balance	
\$ _____	- \$ _____	= (4a) \$
Total of life insurance policies from separate paper.		
\$ _____	- \$ _____	= (4b) \$
Add lines (4a) through (4b) =		(4) \$

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

Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	County	
How is title held (joint tenancy, etc.)?	Description of Property	
Current Market Value	Less Loan Balance (Mortgages, etc.)	
\$ _____ X .8 = \$ _____	- \$ _____	Total Value of Real Estate = (5a) \$

Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	County	
How is title held (joint tenancy, etc.)?	Description of Property	
Current Market Value	Less Loan Balance (Mortgages, etc.)	
\$ _____ X .8 = \$ _____	- \$ _____	Total Value of Real Estate = (5b) \$

Property Address (Street Address, City, State, ZIP Code)	Primary Residence <input type="checkbox"/> Yes <input type="checkbox"/> No	
	County	
How is title held (joint tenancy, etc.)?	Description of Property	
Current Market Value	Less Loan Balance (Mortgages, etc.)	
\$ _____ X .8 = \$ _____	- \$ _____	Total Value of Real Estate = (5c) \$

Total value of property(s) listed from separate paper [current market value X .8 less any loan balance(s)]		(5d) \$
Add lines (5a) through (5d) =		(5) \$

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

Vehicle Make	Year	Model	Mileage	<input type="checkbox"/> Lease <input type="checkbox"/> Loan	Monthly Lease/Loan Amount \$	
Current Market Value		Less Loan Balance		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
\$ _____ X .8 = \$ _____		- \$ _____				

Vehicle Make	Year	Model	Mileage	<input type="checkbox"/> Lease <input type="checkbox"/> Loan	Monthly Lease/Loan Amount \$	
Current Market Value		Less Loan Balance		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
\$ _____ X .8 = \$ _____		- \$ _____				

Vehicle Make	Year	Model	Mileage	<input type="checkbox"/> Lease <input type="checkbox"/> Loan	Monthly Lease/Loan Amount \$	
Current Market Value		Less Loan Balance		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =		
\$ _____ X .8 = \$ _____		- \$ _____				

Section 3 Personal Asset Information - (Continued)

Total value of vehicles listed from separate paper [current market value X .8 less any loan balance(s)]	(6d) \$
Add lines (6a) through (6d) =	(6) \$
Personal effects (furniture, jewelry, etc.)	
Current Market Value	Less Loan Balance
\$ _____ X .8 = \$ _____ - \$ _____ =	(7a) \$
	Less IRS allowed deduction -
	(7b) \$ 8,320
Value of personal effects =	(7) \$
Other valuable items (artwork, collections, items of value in safe deposit boxes not included in personal effects)	
Item 1	
Current Market Value	Less Loan Balance
\$ _____ X .8 = \$ _____ - \$ _____ =	(8a) \$
Item 2	
Current Market Value	Less Loan Balance
\$ _____ X .8 = \$ _____ - \$ _____ =	(8b) \$
Total value of valuable items listed from separate paper [current market value X .8 less any loan balance(s)]	(8c) \$
Add lines (8a) through (8c) =	(8) \$

Section 4 Business Asset Information

List business assets. Tools, books, machinery, equipment, inventory, business vehicles and real property that is owned/leased/rented. If additional space is needed, attach a list of items.

Item 1	
Current Market Value	Less Loan Balance
\$ _____ X .8 = \$ _____ - \$ _____ =	(9a) \$
Item 2	
Current Market Value	Less Loan Balance
\$ _____ X .8 = \$ _____ - \$ _____ =	(9b) \$
Total value of assets listed from separate paper [current market value X.8 less any loan balance(s)]	(9c) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card	
Bank Name	Account Number
	(9d) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card	
Bank Name	Account Number
	(9e) \$
Total value of bank accounts from separate paper	(9f) \$
Add lines (9a) through (9f) =	(9) \$
Less IRS allowed deduction (2011 allowance) -	(10) \$ 4,180
Enter the value of line (9) minus line (10) =	(11) \$

Accounts Receivable

Do you have accounts/notes receivable? Yes No

If yes, attach current listing which includes name, amount, and age of receivable.

Enter the total value of accounts receivable from attached listing	(12) \$
Add lines (1) through (12) and enter the amount in Box 1 =	Box 1 Total Available Assets \$

Section 5 Business Income and Expense Information

Note: If you provide a current profit and loss statement for the information below, enter the total gross monthly income on line 18 and your monthly expenses on line 29 below. Do not complete lines (13) - (17) and (19) - (28)

Business Income

Enter your business's most recent 3-month average gross monthly income	(13) \$
Gross rental income generated by your business's real estate properties	(14) \$
Interest income	(15) \$
Dividends	(16) \$
Other income	(17) \$
Add lines (13) through (17) =	(18) \$

Business Expenses

Materials purchased (e.g., items directly related to the production of a product or service)	(19) \$
Inventory purchased (e.g., goods bought for resale)	(20) \$
Gross wages and salaries	(21) \$
Supplies (items used to conduct business and used up within one year, e.g., books, office supplies, professional equipment, etc.)	(22) \$
Utilities/telephones	(23) \$
Vehicle costs (gas, oil, repairs, maintenance)	(24) \$
Business Insurance	(25) \$
Current Business Taxes (e.g., Real estate, excise, franchise, occupational, personal property, sales and employer's portion of employment taxes)	(26) \$
Other secured debts (not credit cards, mortgage, or vehicle payments)	(27) \$
Other business expenses (include list)	(28) \$
Add lines (19) through (28) =	(29) \$
Subtract line (29) from line (18) and enter the amount in Box 2 =	Box 2 Net Business Income \$

Section 6 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, significant other, children, and others that contribute to the household. This is necessary for the IRS to accurately evaluate your offer.

Monthly household income

Primary taxpayer					
Wages	Social Security	Pension(s)		Total primary taxpayer income	(30) \$
\$ _____	+ \$ _____	+ \$ _____	=		
Spouse/Other contributors to the household					
Wages	Social Security	Pension(s)		Total spouse/other contributors income	(31) \$
\$ _____	+ \$ _____	+ \$ _____	=		
Interest and dividends					(32) \$
Distributions (such as, income from partnerships, sub-S Corporations, etc.)					(33) \$
Net rental income					(34) \$
Net business income from Box 2					(35) \$
Child support received by the household					(36) \$
Alimony received by the household					(37) \$
Additional household income					(38) \$
Add lines (30) through (38) and enter the amount in Box 3 =					Box 3 Household Income \$

Section 6 Monthly Household Income and Expense Information

Monthly Household Expenses

Enter your average monthly expenses. (**Note:** Expenses may be limited based on IRS allowances.)

Food, clothing, and miscellaneous (e.g., housekeeping supplies, personal care products). A reasonable estimate of these expenses may be used.	(40) \$
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, telephone, and cell phone).	(41) \$
Vehicle loan and/or lease payment(s)	(42) \$
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.	(43) \$
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.	(44) \$
Health insurance premiums	(45) \$
Out-of-pocket health care costs (e.g. average monthly cost of prescription drugs, medical services, and medical supplies like eyeglasses, hearing aids, etc.)	(46) \$
Court-ordered payments (e.g., monthly cost of any alimony, child support, etc.)	(47) \$
Child/dependent care payments (e.g., daycare, etc.)	(48) \$
Life insurance premiums	(49) \$
Taxes (e.g., monthly cost of federal, state, and local tax, personal property tax, etc.)	(50) \$
Other secured debts (e.g., any loan where you pledged an asset as collateral). Do not list unsecured debt such as credit cards, mortgages, or car payments.	(51) \$
Add lines (40) through (51) and enter the amount in Box 4 =	Box 4 Household Expenses \$
Subtract Box 4 from Box 3 and enter the amount in Box 5 =	Box 5 Remaining Monthly Income \$

Section 7 Calculate Your Minimum Offer Amount

If you will pay your offer in 5 months or less, multiply "Remaining Monthly Income" (Box 4) by 48 months to get future remaining income in Box 5.

Enter the total from Box 5 here \$	X 48 =	Box 6 Future Remaining Income \$
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OR

If you will pay your offer in more than 5 months, multiply "Remaining Monthly Income" (from Box 4) by 60 months to get future remaining income.

Enter the total from Box 5 here \$	X 60 =	Box 7 Future Remaining Income \$
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Determine your minimum offer amount below by adding the total available assets from Box 1 to either Box 5 or Box 6.

Enter the amount from Box 1 here \$	+	Enter the amount from either Box 6 or Box 7 \$	=	Minimum Offer Amount \$ _____
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This is the amount you can pay, based on your available cash and investments, assets, income, expenses, and future earning potential over the next 48 or 60 months. If you have special circumstances that would hinder you from paying this amount, explain them on page 2 of the Form 656, Offer in Compromise.

Section 7

Other Information

Additional information IRS needs to consider settlement of your tax debt. If you or your business is 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? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Are you currently in bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No	Have you filed bankruptcy in the past 10 years? <input type="checkbox"/> Yes <input type="checkbox"/> No
Discharge/Dismiss Date	County Filed
Have you been party to a lawsuit? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, date the lawsuit was resolved:	
In the past 10 years, have you transferred any assets for less than their full value? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have you lived outside the U.S. for 6 months or longer in the past 10 years? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Do you have any funds being held in trust by a third party? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how much \$ Where:	

Section 8

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
Signature of Taxpayer	Date

Remember to include all applicable attachments listed below.

- Copies of the most recent pay stub, earnings statement, etc., from each employer
- Copies of bank statements for the three most recent months
- Copies of the most recent statement, etc., from all other sources of income such as pensions, Social Security, rental income, interest and dividends, court order for child support, alimony, and rent subsidies
- Copies of the most recent statement for each investment and retirement account
- 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
- Accounts Receivable, if applicable
- Copies of Universal Commercial Code (UCC) financing statements and accountant's depreciation schedules, if applicable
- Documentation to support any special circumstances described in the "Explain special circumstances" section on page 2 of 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.

Collection Information Statement for Businesses

Complete this form if your business is a

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

If your business is a sole proprietorship (filing Schedule C), do not use this form. Instead, complete Form 433-A (OIC) (Collection Information Statement for Wage Earners and Self-Employed Individuals).

Note: If a total results in a negative amount, enter 0. Include attachments if additional space is needed to respond completely to any question.

Section 1 Business Information

Business Name		Employer Identification Number
Business address (street, city, state, zip code)		County of Business Location
		Description of Business
Primary Phone () -	Secondary Phone () -	Mailing address (if different)
Business website address		
Federal Contractor <input type="checkbox"/> Yes <input type="checkbox"/> No	Total Number of Employees	Does the business use a payroll service provider? <input type="checkbox"/> Yes <input type="checkbox"/> No
Frequency of tax deposits	Average gross monthly payroll \$	If yes, list provider name and address (Street, City, State, ZIP Code)
Accounting method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual		

Provide information about all partners, officers, LLC members, major shareholders, etc., associated with the business. Attach additional sheets, if necessary.

Last Name	First Name	Title
Percent of Ownership	Social Security Number - -	Home address (Street, City, State, ZIP Code)
Primary Phone () -	Secondary Phone () -	
Last Name	First Name	Title
Percent of Ownership	Social Security Number - -	Home address (Street, City, State, ZIP Code)
Primary Phone () -	Secondary Phone () -	
Last Name	First Name	Title
Percent of Ownership	Social Security Number - -	Home address (Street, City, State, ZIP Code)
Primary Phone () -	Secondary Phone () -	

Section 2

Business Asset Information

If any total below results in a negative number, enter "0".

Enter the total amount available for each of the following (if additional space is needed, please attach a separate piece of paper). Gather the most recent statement from lenders on loans, mortgages (including second mortgages), monthly payments, loan payoffs, and balances. Universal Commercial Code (UCC) financing statements and accountant's depreciation schedules, if applicable. Make/Model/Year/Mileage of vehicles. Current value of business assets. To estimate the current value, you may consult resources like Kelley Blue Book (www.kbb.com), NADA (www.nada.com), local real estate postings of properties similar to yours, and any other websites or publications that show what the business assets would be worth if you were to sell them.

Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(1a) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(1b) \$
Bank Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Online Account <input type="checkbox"/> Stored Value Card		
Bank Name	Account Number	(1c) \$
Total value of bank accounts from separate paper		(1d) \$
Cash on hand (include cash that is not in a bank)		(1e) \$
Add lines (1a) through (1e) =		(1) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Less Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____	= (2a) \$
Investment Account: <input type="checkbox"/> Stocks <input type="checkbox"/> Bonds <input type="checkbox"/> Other		
Name of Financial Institution	Account Number	
Current Market Value	Less Loan Balance	
\$ _____ X .8 = \$ _____	- \$ _____	= (2b) \$
Total of investment accounts from separate paper. [current market value X.8 less loan balance(s)]		(2c) \$
Add lines (2a) through (2c) =		(2) \$
Accounts receivable - Do you have accounts/notes receivable? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, attach current listing which includes name, amount, and age of receivable.		
Total accounts receivable from attached listing =		(3) \$
Available lines of credit. If additional space is needed, attach a separate listing and include with this form.		
For each account, provide the information below.		
Bank Name	Account Number	
Credit limit	Amount owed	
\$ _____	- \$ _____	Available credit = (4a) \$
What property secures the line of credit?		
_____		Total available credit from separate paper = (4b) \$
Add lines (4a) through (4b) (information only) =		(4) \$

Section 2

Business Asset Information - (Continued)

If the business owns more vehicles or properties than shown in this form, please list on a separate piece of paper and attach it as part of this document.

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

Property Address (Street Address, City, State, ZIP Code)	Property Description	
	County	
Current Market Value	Less Loan Balance (Mortgages, etc.)	
\$ _____ X .8 = \$ _____	- \$ _____	Total Value of Real Estate = (5a) \$ _____
Property Address (Street Address, City, State, ZIP Code)	Property Description	
	County	
Current Market Value	Less Loan Balance (Mortgages, etc.)	
\$ _____ X .8 = \$ _____	- \$ _____	Total Value of Real Estate = (5b) \$ _____
Total value of property(s) listed from separate paper [current market value X .8 less any loan balance(s)]		(5c) \$ _____
Add lines (5a) through (5c) =		(5) \$ _____

Business Vehicles (cars, boats, motorcycles, trailers, etc.). If additional space is needed, list on separate piece of paper and attach to this form.

Vehicle Make	Year	Model	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount			
<input type="checkbox"/> Loan	\$ _____			
Current Market Value	Less Loan Balance		Total value of other business equipment =	
\$ _____ X .8 = \$ _____	- \$ _____			(6a) \$ _____
Vehicle Make	Year	Model	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount			
<input type="checkbox"/> Loan	\$ _____			
Current Market Value	Less Loan Balance		Total value of other business equipment =	
\$ _____ X .8 = \$ _____	- \$ _____			(6b) \$ _____
Vehicle Make	Year	Model	Mileage or Use Hours	
<input type="checkbox"/> Lease	Monthly Lease/Loan Amount			
<input type="checkbox"/> Loan	\$ _____			
Current Market Value	Less Loan Balance		Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =	
\$ _____ X .8 = \$ _____	- \$ _____			(6c) \$ _____
Total value of vehicles listed from separate paper [current market value X .8 less any loan balance(s)]				(6d) \$ _____
Add lines (6a) through (6d) =				(6) \$ _____

Other Business Equipment

Current Market Value	Less Loan Balance	Total value of vehicle (if the vehicle is leased, enter 0 as the total value) =	
\$ _____ X .8 = \$ _____	- \$ _____		(7a) \$ _____
Total value of vehicles listed from separate paper [current market value X .8 less any loan balance(s)]			(7b) \$ _____
Less IRS allowed exemption -			(7c) \$ 4,120
Total value of all business equipment =			(7) \$ _____

Add lines (5), (6) and (7) and enter the amount in Box 1 =

Box 1 Total Available Assets
\$ _____

Section 3**Business Income Information**

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

Note: If you provide a current profit and loss statement for the information below, enter the total gross monthly income in Box 2 below. Do not complete lines (8) - (12).

Gross receipts	(8) \$
Gross rental income generated by your business's real estate properties	(9) \$
Interest income	(10) \$
Dividends	(11) \$
Other income	(12) \$
Add lines (8) through (12) and enter the amount in Box 2 =	Box 2 Business Income \$

Section 4**Business Expense Information**

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

Note: If you provide a current profit and loss statement for the information below, enter the total monthly expenses in Box 3 below. Do not complete lines (13) - (21).

Materials purchased (e.g., items directly related to the production of a product or service)	(13) \$
Inventory purchased (e.g., goods bought for resale)	(14) \$
Gross wages and salaries	(15) \$
Supplies (items used to conduct business and used up within one year, e.g., books, office supplies, professional equipment, etc.)	(16) \$
Utilities/telephones	(17) \$
Vehicle costs (gas, oil, repairs, maintenance)	(18) \$
Insurance (other than life)	(19) \$
Taxes (e.g., real estate, state, and local income tax, excise franchise, occupational, personal property, sales and employer's portion of employment taxes, etc.)	(20) \$
Other expenses (e.g., secured debt payments. Do not include credit card payments)	(21) \$
Add lines (13) through (21) and enter the amount in Box 3 =	Box 3 Business Expenses \$
Subtract Box 3 from Box 2 and enter the amount in Box 4 =	Box 4 Remaining Monthly Income \$

Section 5

Calculate Your Minimum Offer Amount

If you will pay your offer in 5 months or less, multiply "Remaining Monthly Income" (Box 4) by 48 months to get Future Remaining Income.

Enter the amount from Box 4 here \$ _____	X 48 =	Box 5 \$ _____
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OR

If you will pay your offer in more than 5 months, multiply "Remaining Monthly Income" (from Box 6) by 60 months to get Future Remaining Income.

Enter the amount from Box 4 here \$ _____	X 60 =	Box 6 \$ _____
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Determine your minimum offer amount below by adding the total available assets from Box 1 to amount in either Box 7 or Box 8.

Enter the amount from Box 1 here \$ _____	+	Enter the amount from either Box 5 or Box 6 \$ _____	=	Minimum Offer Amount \$ _____
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This is the amount you can pay, based on your cash and investments, assets, income, expenses, and future earning potential over the next 48 or 60 months. If you have special circumstances that would hinder you from paying this amount, explain them on page 2 of the Form 656. The offer can be paid over time; continue to the next page to select a payment option.

Section 6

Other Information

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

Is the business currently in bankruptcy?
 Yes No

Has the business ever filed bankruptcy?
 Yes No

If yes, provide: Date Filed _____ Date Dismissed or Discharged _____
 Petition No. _____ Location _____

Do you have a business of any subsidiary or parent company?
 Yes No

If yes, list the Name and Employer Identification Number:

Do any related parties (e.g., partners, officers, employees) owe money to the business?
 Yes No

Have you been party to a lawsuit?
 Yes No **If yes, date the lawsuit was resolved:** _____

In the past 10 years, have you transferred any assets for less than their full value?
 Yes No

Have you lived outside the U.S. for 6 months or longer in the past 10 years?
 Yes No

Do you have any funds being held in trust by a third party?
 Yes No **If yes, how much \$** _____ **Where:** _____

Section 7

Signatures

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

Signature of Taxpayer	Title	Date
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Remember to include all required attachments from list below. Do not send original documents.

- A current Profit and Loss statement covering at least the most recent three month period may be attached with the application in place of attaching copies of income and expense statements.
- Copies of the most recent statement for each bank, investment, and retirement account.
- If an asset is used as collateral on a loan, include copies of the most recent statement from lender(s) on loans, monthly payments, loan payoffs, and balances.
- Copies of the most recent statement of outstanding notes receivable, including contracts awarded and not yet started.
- Copies of the most recent statements from lenders on loans, mortgages (including second mortgages), monthly payments, loan payoffs, and balances.
- Copies of Universal Commercial Code (UCC) financing statements and accountant's depreciation schedules, if applicable
- Copies of the most recent earnings statement, etc., from every other source of income (such as rental income, interest and dividends, or subsidies)
- Copies of relevant supporting documentation of the special circumstances described in the "Explain special circumstances" section on page X of 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.

Form **656**
(Rev. March 2011)

Offer in Compromise

Attach Application Fee and Payment (check or money order) here.

IRS Received Date

Section 1 Your Contact Information

Your First Name, Middle Initial, Last Name

If a Joint Offer, Spouse's First Name, Middle Initial, Last Name

Your Physical Home Address (number, street, and room or suite no., city, state, ZIP code)

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

Business Name

Your Business Address (number, street, and room or suite no., city, state, ZIP code)

Social Security Number (SSN)
(Primary)

(Secondary)

Employer Identification Number
(EIN)

(EIN not included in offer)

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Section 2

Tax Periods

To: Commissioner of Internal Revenue Service

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

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

1040 Income Tax-Years _____

1120 Income Tax - Year(s) _____

941 Employer's Quarterly Federal Tax Return - Quarterly period(s) _____

940 Employer's Annual Federal Unemployment (FUTA) Tax Return - Year(s) _____

Trust Fund Recovery Penalty as a responsible person of (enter corporation name) _____
for failure to pay withholding and Federal Insurance Contributions Act taxes (Social Security taxes), for period(s) ending _____

Other Federal Tax(es) [specify type(s) and period(s)] _____

Note: If you need more space, attach a separate sheet of paper and title it "Attachment to Form 656 dated _____." Make sure to sign the attachment.

Section 3

Reason for Offer

Doubt as to Collectibility - I have insufficient assets and income to pay the full amount.

Special Circumstances - I owe this amount and have sufficient assets to pay the full amount, but due to my exceptional circumstances, requiring full payment would cause an economic hardship or would be unfair and inequitable. I am submitting a written narrative explaining my special circumstances.

Explanation of Circumstances

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

Section 4 Low Income Certification (Individuals Only)

Do you qualify for Low-Income Certification? You qualify if your gross monthly household income is less than or equal to the amount shown in the chart below based on your family size and where you live. If you qualify, you are not required to submit any payments during the consideration of your offer.

Check here if you qualify for Low-Income Certification based on the monthly income guidelines below.

Table with 4 columns: Size of family unit, 48 contiguous states and D.C., Hawaii, Alaska. Rows include family units 1-8 and 'For each additional person, add'.

Section 5 Payment Options

Amount Offered \$ _____

Select a payment option below:

Payment Option 1 - Enclose a check for 20% of the offer amount and fill in the dates and amounts of your future payments (five or fewer). This payment is waived if you meet the Low Income Certification guidelines.

\$ _____ 20% mailed with this application

\$ _____ payable within _____ months after acceptance

\$ _____ payable within _____ months after acceptance, if applicable

\$ _____ payable within _____ months after acceptance, if applicable

\$ _____ payable within _____ months after acceptance, if applicable

\$ _____ payable within _____ months after acceptance, if applicable

Payment Option 2- Enclose a check for the first installment based on the payment timeframe below.

\$ _____ is being submitted with the Form 656 and then \$ _____ on the _____ (day) of each month thereafter for a total of _____ months. Total payments must equal the total offer amount.

You must continue to make these monthly payments while the IRS is considering the offer

These payments are waived if you are an individual and meet the requirements for low-income certification.

Section 6 Designation of Down Payment and Deposit (Optional)

If you want your payment to be applied to a specific tax year, please tell us the tax year and period _____. If you do not designate a preference, we will apply any money you send in to the governments best interest.

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

I am making a deposit of \$ _____ with this offer.

Section 7**Source of Funds**

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

Write separate checks for the down payment and application fee

Make payable to the "United States Treasury" and attach to the front of your Form 656, Offer in Compromise. **Do not send cash.** Send a separate application fee with each offer; do not combine it with any other tax payments, as this may delay processing of your offer. Your offer will be returned to you if the application fee and the required payments are not properly remitted, or if your check is returned for insufficient funds.

Section 8**Offer Terms**

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

Terms, Conditions, and Legal Agreement

a) I request that the IRS accept the offer amount listed in this offer application as payment of my outstanding tax debt (including interest, penalties, and any additional amounts required by law) as of the date listed on this form. I authorize the IRS to amend Section 2 on page 1 in the event I failed to list any of my assessed tax debt.

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

b) I voluntarily submit the payments made on this offer and **understand that they are not refundable even if I withdraw the offer or the IRS rejects or returns the offer.** Unless I designated how to apply the required payment (page 4 of this application), the IRS will apply my payment in the best interest of the government, choosing which tax years and tax liabilities to pay off. The IRS will also keep my application fee unless the offer is not accepted for processing.

c) The IRS will keep **any** future refund, including interest, that I might be due for tax periods extending through the calendar year in which the IRS accepts my offer. I cannot designate that the refund be applied to estimated tax payments for the following year or the accepted offer amount. If I receive a refund after I submit this offer and while it is being processed, I will return the refund to the IRS.

d) The IRS will keep any monies it has collected prior to this offer and any payments that I make relating to this offer that I did not designate as a deposit. Only amounts that exceed the mandatory payments can be treated as a deposit. Such a deposit will be refundable if the offer is rejected or returned by the IRS or is withdrawn. I understand that the IRS will not pay interest on any deposit. If the IRS decides to seize ("levy") any of my assets prior to my submitting this offer and receives money based on the levy while this offer is pending, the IRS will keep that money.

Pending status of an offer and right to appeal

e) Once an authorized IRS official signs this form, my offer is considered pending as of that signature date and remains so until it is officially accepted, rejected, returned, or I withdraw the offer in writing. If the IRS rejects my offer, I have 30 days to request a hearing before the Appeals Office. If I appeal the offer, the offer remains pending until the Appeals Office accepts or rejects the offer in writing.

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

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

g) I will file tax returns and pay required taxes for the next five years or until my offer is paid in full, whichever is longer. If this is an offer being submitted for joint tax debt, and one of us does not comply with future obligations, only the non-compliant taxpayer will be in default of this agreement.

h) The IRS will not remove the original amount of my tax debt from its records until I have met all the terms and conditions of this offer. If I file for bankruptcy before the terms are fully met, any claim the IRS files in the bankruptcy proceedings will be a tax claim.

i) Once the IRS accepts my offer in writing, I have no right to contest, in court or otherwise, the amount of the tax debt.

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

j) If I fail to meet any of the terms of this offer, the IRS may sue me to collect any amount ranging from the unpaid balance of the offer to the original amount of the tax debt without further notice of any kind. The IRS will continue to add interest, as Section 6601 of the Internal Revenue Code requires, on the amount the IRS determines is due after default. The IRS will add interest from the date I default until I completely satisfy the amount owed.

I agree to waive time limits provided by law.

k) To have my offer considered, I understand that I agree to suspend the time limit provided by law for to collect my tax debt (called a statutory period of limitation) during the period an offer is considered pending by the IRS. I further agree to the extension of the statutory periods for assessment for an additional year after the IRS rejects returns, terminates, or acknowledges the withdrawal of this offer in writing. I understand that I have the right not to waive these statutory periods or to limit the waiver to a certain length, to certain periods, or to certain issues. I understand, however, that the IRS may not consider the offer if I refuse to waive the statutory periods for assessment or if we provide only a limited waiver.

Section 8 - (Continued)

Offer Terms

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

l) The IRS may file a Notice of Federal Tax Lien during the offer investigation. Generally the IRS files a Notice of Federal Tax Lien to protect the Government's interest on offers that will be paid over time. This tax lien will be released when the payment terms of the offer have been satisfied.

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

m) By authorizing the IRS to contact third parties including credit bureaus, I understand that I will not be notified of which third parties the IRS contacts as part of the offer application process, as stated in section 7602(c) of the Internal Revenue Code.

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

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

Section 9

Signatures

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

Signature of Taxpayer	Date
Signature of Taxpayer	Date

Section 10

Paid Preparer Use Only

Signature of Preparer

Name of Paid Preparer	Date (mm/dd/yyyy)	Preparer's CAF no. or PTIN
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Firm's Name, Address, and ZIP Code

Include a valid, signed Form 2848 or 8821 with this application, if one is not on file.

Section 11

Third Party Designee

Do you want to allow another person to discuss this offer with the IRS? Yes No

If yes, provide designee's name Telephone Number
()

IRS Use Only

I accept the waiver of the statutory period of limitations on assessment for the Internal Revenue Service, as described in Section 8 (k).

Signature of Authorized Internal Revenue Service Official	Title	Date (mm/dd/yyyy)
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Privacy Act Statement

We ask for the information on this form to carry out the internal revenue laws of the United States. Our authority to request this information is Section 7801 of the Internal Revenue Code.

Our purpose for requesting the information is to determine if it is in the best interests of the IRS to accept an offer. You are not required to make an offer; however, if you choose to do so, you must provide all of the taxpayer information requested. Failure to provide all of the information may prevent us from processing your request.

If you are a paid preparer and you prepared the Form 656 for the taxpayer submitting an offer, we request that you complete and sign Section 9 on Form 656, and provide identifying information. Providing this information is voluntary. This information will be used to administer and enforce the internal revenue laws of the United States and may be used to regulate practice before the Internal Revenue Service for those persons subject to Treasury Department Circular No. 230, Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries, and Appraisers before the Internal Revenue Service. Information on this form may be disclosed to the Department of Justice for civil and criminal litigation.

We may also disclose this information to cities, states and the District of Columbia for use in administering their tax laws and to combat terrorism. Providing false or fraudulent information on this form may subject you to criminal prosecution and penalties.

APPLICATION CHECKLIST

Review the entire application and verify that it is complete.

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

- Did you complete all fields and sign all forms?
- Did you make an offer amount that is greater than or equal to the minimum offer calculated on the Form 433-A (OIC) or Form 433-B (OIC)? If not, did you describe the special circumstances that are leading you to offer less than the minimum in the “Explanation of Circumstances” section 3 of Form 656, and did you provide supporting documentation of the special circumstances?
- Did you select a payment option on Form 656?
- If you want to allow the IRS to discuss your offer with another person, did you complete the “Third-Party Designee” section on the Form 656?
- If someone other than you completed the Form 656, did they sign it?
- Did you sign and attach the Form 433-A (OIC) if applicable?
- Did you include the Form 433-B (OIC) if applicable?
- Did you sign and attach the Form 656?

Supporting documentation and additional forms

- Did you include photocopies of all required supporting documentation?
- If you want a third party to represent you during the offer process, did you include a Form 2848 or Form 8821?

Payment

- Did you include a check or money order made payable to the “United States Treasury” for the initial down payment? (Waived if you meet Low Income Certification guidelines—see Form 656.)
- Did you include a separate check or money order made payable to the “United States Treasury” for the \$150 application fee? (Waived if you meet Low Income Certification guidelines—see Form 656.)

Mail your application package to the appropriate IRS facility

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

If you reside in:

AK, AL, AZ, CA, CO, HI, ID, KY, LA, MS, MO, NV, NM, OR, TN, TX, UT, WA, WI, WY

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

Mail your application to:

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

Brookhaven IRS Center COIC Unit
P.O. Box 9007
Holtsville, NY 11742-9007

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