

Tax Resolution Process

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Tax Resolution Procedures

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Marketing

- Online
- Referral Network (EA, CPA, LAWYER, etc)

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Initial Interview

- Pre-Interview Form, IRS Letter, etc

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Collect Retainer

(Start Phase 1)

- POA (2848, 8821)
- Tax Return (if necessary)
- Resolution Evaluation

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Form 8821 & 2848

(Tax Periods, Tax Form)

- 8821: information only
- 2848: Power Of Attorney

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Transcripts

- External Transcript (Account, Wage & Income, Tax)
- Internal Transcript (TAXMODA - STATUE OF LIMITATION)

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Contact the IRS Staffs (ACS, RO)

- PPS (Practitioner's Priority Service: 866-860-4259)
- ACS (Automated Collection System)
- Revenue Officer (RO. vs RA)

Continue Tax Resolution Procedures

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Compliance

- Tax Return 6 years
- Estimated Tax Deposit

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Client's Records for CIS (Collection Information Statement)

- CIS - 433A or B
- Collect financial information from client

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Evaluate the Resolutions

- Full Payment - Penalty Abatement (FTA, RC)
- Installment Agreement - Penalty Abatement, IA and PPIA
- Offer In Compromise
- CNC (Currently Non Collectible)
- Innocent Spouse

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Review the Resolutions with a client (Start Phase 2)

- collect the 2nd payment

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Submit Offers and contact IRS

- COIC, Online, mail

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Appeals

- Collection Due Process (12153)
- Collection Appeal Program (9423)

Marketing, Interview, & Collect Retainer

Marketing & Outreach

- Online platforms: Homepage, FB, LinkedIn, Instagram, Reddit
- Referral network: EA, CPA, Lawyer, Real Estate Agent
- Direct Mail
- Segment market: Truck Drivers, Farmers, etc.

Initial Interview

We conduct a thorough initial interview to gather detailed information about the client's tax situation, including relevant documentation and financial records.

Retainer Agreement

We establish a clear retainer agreement outlining the scope of services, fees, and payment terms, ensuring transparency and mutual understanding.

Form 2848 & 8821

Form 2848

We prepare and file Form 2848, Power of Attorney, to authorize us to represent the client before the IRS. We can submit a Form 2848 by Fax and Tax Pro Account.

Tax Periods, Tax Forms

Form 8821

We may prepare and file Form 8821, Tax Information Authorization, to obtain specific tax information from the IRS on the client's behalf.

Transcripts

External Transcripts

- Account Transcript
- Wage and Income Transcript
- Tax Return Transcript
- Record Transcript

Internal Transcripts

- TAXMODA (Statue Of Limitation)

How to get the transcripts

- By fax (External & Internal)
- By mail (External & Internal)
- By TDS (Transcript Deliver System) —> Online Transcript Request

Collect Client's Financial Records for CIS (433) & RCP (Reasonable Collection Potential)

Client's Financial Records

- Wage Statement
- Dividend Statement
- Bank Statement
- Credit Card Statement
- Auto Loan Statement
- Mortgage statement
- Loan Statement
- Insurance Statement
- Court orders
- Spouse's information
- Spouse's contribution
- etc.

IRS Collection Information Statement (CIS) (Form 433)

We analyze the client's financial situation to prepare a comprehensive IRS Collection Information Statement (CIS) (Form 433) for RCP (Reasonable Collection Potential)

Reasonable Collection Potential (RCP) Analysis

Income Components = Monthly income - National Standard Expense

Equity Components = QSV (Quick Sale Value, 80% of FMV) - Loan Balance

Evaluate and Review Resolutions with Clients

FULL PAYMENT

First Time Abatement (3 categories)

Reasonable Cause

INSTALLMENT AGREEMENT

(9465, 433A/B)

Installment Agreement

Partial Payment Installment Agreement

OFFER IN COMPROMISE (656)

(656 or 656L, 433A/B (OIC))

DATC (Doubt As to Collectible)

ETA (Effective Tax Administration)

DATL (Doubt As To Liability, 656L)

CURRENTLY NON COLLECTIBLE (CNC)

(9465)

Tax payer is not able to make payments at this time

Reasons: can not find taxpayers, SOL Expired, Death without estate, hardship

BANKRUPTCY

Before and After

INNOCENT SPOUSE

Contact IRS with Resolution (Start Phase 2)

Submit Resolution

OIC: COIC

IA: Online (less than \$50,000), by mail

Results

- Return

Case is closed. No more considerable status.

All documents and application fee are returned.

- Reject

Case is the considerable status. But IRS require more information or documents.

- Acceptance

Appeals after Return



Collection Due Process(CDP) and Equivalent Hearing

If the IRS denies our initial resolution request, we will explore options for appealing the decision through the IRS appeals process.

CDP: Submit 12153 within 30 days from Letter Date

Taxpayer can appeal Tax Court if T/P can't accept CDP officer's decision.

EH (Equivalent Hearing): In case of missing due date of CDP

CDP officer's decision is final and can't go to Tax Court.



Collection Appeal Process (CAP) = EH (?)

Like EH, CDP officer's decision is a final and can't go to Tax Court.

CDP is before legal action and CAP is a after legal action process.



Please contact, if you questions.

Thank you.

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