



Offer in Compromise Request

A. Taxpayer Information

Taxpayer's name		Social Security Number		Name of personal representative / power of attorney			
Spouse's name		Social Security Number		Address			
Business/corporation name		EIN		City		State	ZIP Code
Physical address				Telephone		Fax	
City		State	ZIP Code	Email			
Mailing address				Offer account numbers		Periods	
City		State	ZIP Code	Offer account numbers		Periods	
Taxpayer's email				Offer account numbers		Periods	

B. Offer

I offer to pay (amount): _____

Source of funds for the offer: _____

Reasons for the offer request (attach additional pages if necessary): _____

C. Signatures

I agree to comply with all the terms and conditions of this Offer in Compromise Request form.

Under penalty of falsification, I declare that, to the best of my knowledge, all the information in this Request and any attached documentation is true and complete.

_____ Taxpayer signature	_____ Daytime phone number	_____ Date (mm/dd/yyyy)
_____ Taxpayer signature	_____ Daytime phone number	_____ Date (mm/dd/yyyy)

General Information

An Offer in Compromise is the settlement of a tax liability for less than full payment. The Tax Commission will only accept an Offer in Compromise when we find we cannot collect the full amount of the tax liability. You have the burden of proof to justify a settlement and provide enough documentation to prove your case.

You do not have a legal right to an Offer in Compromise agreement.

Who Qualifies

We will only consider an *Offer in Compromise Request* after a review of your assets, liabilities, income and expenses.

Who Does NOT Qualify

You do not qualify for an Offer in Compromise if:

1. you have not filed all Utah tax returns;
2. you are involved in an open bankruptcy;
3. you can pay the tax liabilities within a reasonable amount of time; or
4. you and the Tax Commission have not thoroughly explored all other collection options.

Ability to Pay

You must base your offer on the maximum amount of the liability you can pay. We will consider several factors to determine your capacity to pay. For example:

- Liquidation of assets and ongoing payments will not fully pay the tax liability.
- A non-liable spouse has property he or she may be willing to sell.
- A non-liable third party may consider buying your business assets.
- Amounts may be collectable through the successor liability or personal assessments programs.

Payment Terms

You must pay by certified funds within 30 days of acceptance. If you are paying with personal check or credit card, it may take an additional 30 days to satisfy your liens.

Submitting an Offer Request

Complete and submit an *Offer in Compromise Request*, form TC-410. You must include a completed TC-805 for individuals and/or TC-803 for businesses.

If the offer is being submitted by a third party, a Power of Attorney or form TC-737 must be attached.

See the *Offer in Compromise Request Checklist* for additional required documentation.

Requirements

An *Offer in Compromise Request* must cover the total account liability. If we accept your offer, the liability for the period(s) covered by the offer is fully settled (with the exception of future audits).

We will reject your Offer in Compromise Request if the information is incomplete or you have not provided all the required documentation.

How to Submit

If your account is assigned to a collection agent, submit your *Offer in Compromise Request* to that agent.

If your account is NOT assigned to a collection agent, send your *Offer in Compromise Request* to:

OIC/Waiver Unit
Utah State Tax Commission
210 N 1950
Salt Lake City, UT 84134

Reviewing Your Offer Request

We will review your *Offer in Compromise Request* based on the information you provide.

Note that additional information may be requested.

If you do not qualify to have your *Offer in Compromise Request* considered, we will send you an *Unmet Criteria* letter.

Collection Actions

We may suspend collection actions while we review your *Offer in Compromise Request* and, if we reject or deny your offer, for 30 days after the official denial.

Exceptions:

- We will continue collection actions if your offer seems frivolous or appears to be a delay tactic.
- Payments required due to an active payment agreement or garnishment must continue to be paid while the *Offer in Compromise Request* is being reviewed and are not considered part of the offered amount.
- If a garnishment is in place against you when you submit an *Offer in Compromise Request*, the garnishment will proceed. If your *Offer in Compromise Request* is accepted, the garnishment will be released at that time.

Approved Offers

We will notify you in writing if we approve your *Offer in Compromise Request*.

We will release all tax liens within 30 days of receiving your full offer payment. For an immediate lien release, you must pay with cash or certified funds.

Denied or Rejected Offers

We will notify you in writing if we deny or reject your *Offer in Compromise Request*. There are no appeal rights for a denied offer.

You may discuss the denial reason(s) by contacting the collection agent noted on the denial letter. The agent will explain the denial and may schedule an appointment with you to discuss it further.

If you remain unsatisfied, you may either:

1. resubmit with missing documentation or increased offer amount if your offer is rejected; or
2. request a final review with Taxpayer Services Division Management. Send a written request to the Offer in Compromise Unit that includes:
 - A copy of the *Denial of Offer* letter.
 - An explanation of why an additional review is justified.
 - Any additional information or documents which were not included in your original *Offer in Compromise Request*.

After division management finishes reviewing your written request, we will send a final written decision to you and your personal representative.

Offer in Compromise Request Checklist

- Other collections methods have been attempted to resolve this liability and were unsuccessful
- Power of Attorney or Personal Representative State form TC-737 for any personal representative
- Signed Offer in Compromise Request form and/or letter requesting an Offer in Compromise Agreement that includes:**
 - Total amount of the offer payment
 - How the payment will be made
 - Lump Sum 30 days from the date of the Offer in Compromise Notice of Approval
 - Other payment arrangement (120 days or less) with explanation
 - Source of the offer payment
- All offer requests funded by financing or refinancing real property have included:**
 - Sales Agreement
 - Property Appraisal
 - Title Report
 - Proposed Loan Settlement Statement (HUD 1), if applicable
 - Final Loan Settlement Statement (HUD 1)

Individual taxpayer and/or Individual taxpayer with a closed business (e.g. Sole Proprietorship, General Partnership, Non-Payment Penalty assessed Individual(s))

Documents

- Federal Income tax returns for the three (3) filing periods prior to the date of the *Offer in Compromise Request* (include all W-2s, tax schedules and worksheets)
- Utah State Tax Commission *Collection Information for Individuals* (form TC-805) with justification statements for all income and/or expenses
- Income verification for the previous two (2) months prior to the date of the *Offer in Compromise Request* (e.g. pay statements, IRS 1099 forms, Social Security Benefit Statement SAA-1099s, etc.)
- Bank statement(s) from each financial institution used for the previous two (2) months prior to the date of the *Offer in Compromise Request*
- Loan application(s) and denial(s) submitted within the previous six (6) months prior to the date of the *Offer in Compromise Request*
- Medical documentation for claims of disabilities or medical conditions limiting abilities and/or employment (e.g. Annual Social Security Disability Statement, signed statement from a doctor or medical clinic verifying your condition(s), etc.)

Currently open and operating businesses submitting an Offer in Compromise Request for the business (Sole Proprietorship, Corporation, Partnership, LLC, etc.) should include:

Documents

- Complete copies of the filed federal business income tax returns for the three (3) filing periods prior to the date of the *Offer in Compromise Request* (all tax schedules and worksheets)
- Utah State Tax Commission *Collection Information for Businesses* (form TC-803) with justification statements for all income and/or expenses
- Copies of the business annual financial statements (balance sheets and income statements) for the previous two (2) annual accounting periods
- Business bank statement(s) from each financial institution used for the previous two (2) months prior to the date of the *Offer in Compromise Request*
- Loan application(s) and denial(s) submitted in the business name within the previous six (6) months prior to the date of the *Offer in Compromise Request*

Closed Business or Corporation is submitted requesting the offer should include:

Documents

- Verification of the closing date of the business
- Description and disposition of all the business assets
- Sales agreement(s) regarding the sale of the business

If you need an accommodation under the Americans with Disabilities Act, email taxada@utah.gov, or call 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.