

# NAVIGATING IRS INSTALLMENT AGREEMENT OPTIONS

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## **Catharine O'Connor, Esq. Head of Education, Tax Mentor**

- Licensed to practice in Florida since 2012
- Practiced Tax Controversy from 2012-2020 for one of the largest national tax resolution companies.
- Resolved millions in tax debts, logged thousands of call hours with IRS collections personnel, and worked with hundreds of clients to resolve their tax controversy issues.
- Subject matter expert in tax issues facing small businesses, particularly payroll tax debts, with years of practical experience in achieving excellent results for my client.



  
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## Acronyms Used in Presentation

ACRONYM	MEANING	CONTEXT
ACS	Automated Collections System	Automated Collection System Support (ACSS) is a Compliance Operation, supporting ACS Call-Sites, resolving correspondence from taxpayers, their representatives, and/or third party contacts.
CIS	Collection Information Statement	Financial (aka Budget) taken by the IRS determine a taxpayer's ability to pay (can be verbal or on approved form). i.e. 433F, 433A, & 433B
CNC	Currently Non Collectible Status	\$0 month resolution offered by the IRS. Have to prove that income is exceeded by the reasonable & necessary living expenses of the taxpayer. NOT a forgiveness program, the taxpayer still owes the balance due.
CSED	Collection Statute Expiration Date	The IRS has a limited time to collect a tax debt, starting 10 years from the date of assessment (plus tolling events). The CSED is the date the debt is no longer legally enforceable.
IA	Installment Agreement	Monthly repayment plan to the IRS, may or may not have a set term.
IRM	Internal Revenue Manual	The IRM is the primary, official source of "instructions to staff" that relate to the administration and operation of the IRS. It details the policies, delegations of authorities, procedures, instructions and guidelines for daily operations for all IRS organizations
NFTL	Notice of Federal Tax Lien	IRS files a tax lien at the county clerk of office to serve as public notice of the tax debt. Carries Collection Due Process Appeal Rights
NSIA	Non Streamlined Installment Agreement	NSIA is considered when the taxpayer cannot qualify for a SIA. The agreement <b>must</b> be fully paid prior to the CSED. A Collection Information Statement is not required for individual balances under \$250k assessed. A NFTL determination is required. See IRM 5.19.1.6.4(12)

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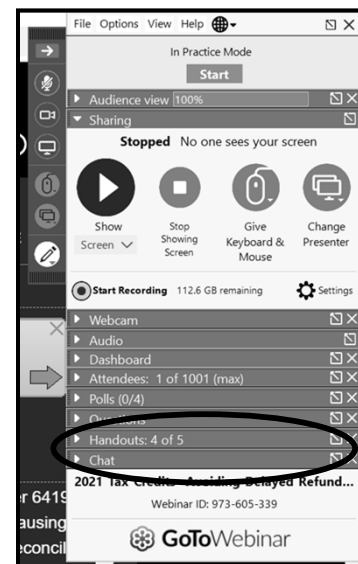
# Acronyms Used in Presentation

ACRONYM	MEANING	CONTEXT
OIC	Offer in Compromise	OIC is the debt settlement program offered by the IRS. Acceptable amount is determined by the Reasonable Collections Potential (RCP), therefore each taxpayer will be unique.
OPA	Online Payment Agreement	Online IRS system which can be used to establish Short Term payment plans and Streamline Installment Agreements in some circumstances. <a href="https://www.irs.gov/payments/online-payment-agreement-application">https://www.irs.gov/payments/online-payment-agreement-application</a>
POA	Power of Attorney	In order to represent a taxpayer before the IRS you must be eligible to do so and have a properly executed Power of Attorney (form 2848).
PPIA	Partial Pay Installment Agreement	Anyone who prepares or assists in preparing federal tax returns for compensation must have a valid 2021 PTIN before preparing returns. All enrolled agents must also have a valid PTIN
PPL/PPS	Practitioner Priority Line/Practitioner Priority Service	Phone line specifically for use by Tax Pros, can use to complete investigations on multiple taxpayer accounts or be directed to collections or exams.
RO	Revenue Officer	Collections officer who works out of local filed collections office (aka group office).
SIA	Streamlined Installment Agreement	Installment Agreement offered by the IRS for Individuals with assessed balances under \$50k which generally prevents filing of an NFTL. See IRM 5.14.5.2
TIA	Tax Information Authorization	Form 8821 authorizes any individual, corporation, firm, organization, or partnership you designate to inspect and/or receive your confidential information verbally or in writing for the type of tax and the years or periods you list on Form 8821.

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## Handouts

- Power Point Slides
- Acronym Cheat Sheet
- Installment Agreement Decision Tree
- Taxpayer IRS Account Overview Template



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## Course Description

- There are many different types of Installment Agreements offered by the IRS and it can be difficult to figure out which one(s) your client qualifies for, or what the best option may be. This course will review the various types of IRS Installment Agreements as well as the steps necessary to establish and maintain the Installment Agreement with Automated Collection Systems (ACS). Including Streamline Installment Agreements, Non-Streamline Installment Agreements, and Partial Pay Installment Agreements. Additionally, you will be shown the role software can play in evaluating and calculating Installment Agreement options.

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## Tax Return Compliance

- IRM 5.14.1.4.2 Compliance and Installment Agreements (2) Filing and paying compliance must be considered prior to determining that the best manner of paying delinquent taxes is through an installment agreement.
- IRM 5.1.11.3.3.1 Documentation of Compliance (1) Confirm all tax periods are filed for the preceding six-year period and secure a copy of the taxpayer's return if necessary.
  - This is generally the current year PLUS prior 5 (there are exceptions).
  - The current year is considered compliant if unfiled but NOT YET DUE (prior to due date or valid extension due date).
- Switch Over to New Compliance Period
  - Automated Collections System (ACS) frequently interprets the "Switch Over" to a new compliance period on a calendar basis (ie January 1st). There are exceptions, this is an administrative policy not IRM/IRC.
  - Revenue Officers frequently interprets the "Switch Over" to a new compliance period on a filing deadline basis (ie April 15th).

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IRS ACCOUNT STATUS DASHBOARD									
Year	Return Filed	Filing Status	Extension Date	Lien Active	Collections Active	Examination Active	Assessed Balance	Accrued Balance	Transcript Date
2023	RDNF	Uk					-		
2022	No	S	10/15/2023				(\$1,300.00)	(\$1,300.00)	4/20/2023
2021	Original	S	10/15/2022				\$0.00	\$0.00	4/20/2023
2020	Original	S					\$0.00	\$0.00	4/20/2023
2019	Original	S	10/15/2020		No		\$1,700.31	\$1,908.48	4/20/2023
2018	Original	S	10/15/2019		No		\$2,873.45	\$3,572.58	4/20/2023
2017	Original	S			No		\$4,864.86	\$6,710.09	4/20/2023
2016	Original	S			No		\$8,912.63	\$12,792.60	4/20/2023
2015	Original	S	10/15/2016		No		\$12,723.73	\$17,520.65	4/20/2023
2014	Original	S			2/22/2023		\$6,203.22	\$13,203.90	4/20/2023
2013	Original	S					\$0.00	\$0.39	4/20/2023
2012	Original	MFJ					\$0.00	\$0.00	4/20/2023
2011	Original	MFJ					\$0.00	\$0.00	4/20/2023
2010	Original	MFJ					\$0.00	\$0.00	4/20/2023
Total							\$37,278.20	\$55,708.69	

Taxpayer is considered Compliant through 10/16/2023.

2017-2021 filed AND extension on file for 2022.

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## Gathering Information & Analysis

- An 8821 or 2848 is necessary to gather taxpayer information from the IRS.
- Tax Pros can call Practitioner Priority Service (PPS) at 1-866-860-4259 (select option 2 for individuals) to gather information.
  - Transcripts
  - Balance Dues
  - CSEDs
  - Information on Compliance
- Tax Pros with access to e-Services & Transcript Delivery System (TDS) can also use software (like Tax Help Software) to download and analyze transcripts to obtain the same information.
  - During this presentation we will be using screen shots of Tax Help Software (THS) reports to show relevant information, tax pros without software can use excel spreadsheets to duplicate some of this data.

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# Streamlined Installment Agreements (SIA)

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## Streamlined Installment Agreement (SIA)

### ➤ Applies

- Individuals and out-of-business sole proprietors with an **ASSESSED** balance of tax, penalties and interest up to \$50,000
- Out-of-business taxpayers with assessed balances up to \$25,000
- In-business taxpayers with income tax only assessed balances up to \$25,000

### ➤ Payment Terms

- Up to 72 months – or – the number of months necessary to satisfy the liability in full by the Collection Statute Expiration date, whichever is less.

### ➤ Collection Information Statement (Form 433)

- Not required.

### ➤ Notice of Federal Tax Lien

- Determination not required for assessed balances up to \$25,000.
- Determination not required for assessed balances of \$25,001 - \$50,000 **with** the use of direct debit or payroll deduction agreement.
- For a streamlined installment agreement over \$25,000 and there is no direct debit or payroll deduction agreement, then a Notice of Federal Tax Lien determination is required.

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IRS ACCOUNT STATUS DASHBOARD									
Year	Return Filed	Filing Status	Extension Date	Lien Active	Collections Active	Examination Active	Assessed Balance	Accrued Balance	Transcript Date
2023	RDNF	Uk					-	-	
2022	No	S	10/15/2023				(\$1,300.00)	(\$1,300.00)	4/20/2023
2021	Original	S	10/15/2022				\$0.00	\$0.00	4/20/2023
2020	Original	S					\$0.00	\$0.00	4/20/2023
2019	Original	S	10/15/2020		No		\$1,700.31	\$1,908.48	4/20/2023
2018	Original	S	10/15/2019		No		\$2,873.45	\$3,572.58	4/20/2023
2017	Original	S			No		\$4,864.86	\$6,710.09	4/20/2023
2016	Original	S			No		\$8,912.63	\$12,792.60	4/20/2023
2015	Original	S	10/15/2016		No		\$12,723.73	\$17,520.65	4/20/2023
2014	Original	S			2/22/2023		\$6,203.22	\$13,203.90	4/20/2023
Total							\$37,278.20	\$55,708.69	

RESOLUTION AND COLLECTION DASHBOARD									
Year	Accrued Balance	Return Filed	SFR Filed Date	Final Notice of Intent To	Collections Active	Last Activity	Estimated 72 Mth IA Payments*		
2023	-	RDNF					\$0.00		
2022	(\$1,300.00)	No	none	none			\$0.00		
2021	\$0.00	Original	none	none			\$0.00		
2020	\$0.00	Original	none	none			\$0.00		
2019	\$1,908.48	Original	none	none	No	No longer in installment agreement status 1/23/2023	\$23.73		
2018	\$3,572.58	Original	none	none	No	No longer in installment agreement status 1/23/2023	\$54.46		
2017	\$6,710.09	Original	none	none	No	No longer in installment agreement status 1/23/2023	\$122.86		
2016	\$12,792.60	Original	none	none	No	No longer in installment agreement status 1/23/2023	\$257.01		
2015	\$17,520.65	Original	none	none	No	No longer in installment agreement status 1/23/2023	\$352.00		
2014	\$13,203.90	Original	none	11/13/2015	2/22/2023	No longer in installment agreement status 1/23/2023	\$481.16		
Total Estimated IA Payment (Does Not Include SRP)*							\$1,291.24		

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## How to Establish

- Online Payment Agreement (OPA).
  - <https://www.irs.gov/payments/online-payment-agreement-application>
- Call Practitioner Priority Service (PPS) at 1-866-860-4259 and select option 4 to reach ACS
  - Generally, does not require manager approval.
- Payment Type Options
  - Mail in check or money order with vouchers
  - Direct Debit with 433D (required if assessed balance is over \$25k)
  - Payroll Deduction using Form 2159 (required if assessed balance is over \$25k)
  - Online via direct pay or EFTPS

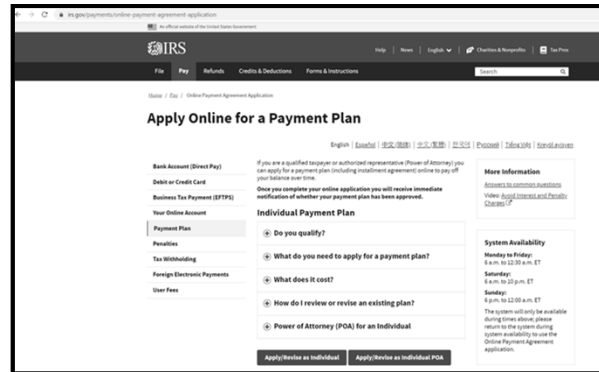
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# Online Payment Agreement (OPA)

- Individual or Business
- Can Establish Short Term Payment Plans
  - Up to 180 days under \$100,000
- Can Establish Streamline Installment Agreements
  - Individual up to \$50,000
  - Business up to \$25,000
- Need 2848 on file with CAF in order to set up for your client.
- Notoriously Buggy!
- <https://www.irs.gov/payments/online-payment-agreement-application>



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# Direct Debit Installment Agreement (DDIA)

- One of the required methods for SIA over \$25,000 assessed.
- RO OR ACS may request Direct Debit for other installment agreement types OR taxpayer may request Direct Debit when establishing an IA.
- 433D is the most common form used to establish a Direct Debit Installment Agreement.

Form 433-D (July 2020)		Department of the Treasury - Internal Revenue Service	
Installment Agreement (See instructions on the back of this page)			
Name and address of taxpayer(s)		Social Security or Employer Identification Number (SSN/EIN) (Taxpayer) (Optional)	
Your telephone numbers (including area code) (Home)		Your telephone numbers (including area code) (Work, cell or business)	
For assistance, call 1-800-829-0115 (Business), or 1-800-829-0116 (Individual - Self-Employed/Business Owners), or 1-800-829-4922 (Individuals - Wage Earners)		Or write _____ (City, State, and ZIP Code)	
<input type="checkbox"/> Submit a new Form W-4 to your employer to increase your withholding.		Kinds of taxes (form numbers) Tax periods Amount owed as of \$	
I/ We agree to pay the federal taxes shown above, PLUS PENALTIES AND INTEREST PROVIDED BY LAW, as follows \$ _____ on _____ and \$ _____ on _____ of each month thereafter			
I/ We also agree to increase or decrease the above installment payments as follows: Date of increase (or decrease) Amount of increase (or decrease) New installment payment amount			
The terms of this agreement are provided on the back of this page. Please review them thoroughly.			
Additional Conditions / Terms (To be completed by IRS)		By signing and submitting this form, I authorize the IRS to collect third party information for use in processing and administer the agreement over its duration.	
<b>DIRECT DEBIT</b> - Attach a voided check or complete this part only if you choose to make payments by direct debit. Read the instructions on the back of this page.			
a. Routing number		b. Account number	
I authorize the U.S. Treasury and its designated Financial Agent to initiate a monthly ACH debit (electronic withdrawal) entry to the financial institution account indicated for payments of my federal taxes owed, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the Internal Revenue Service to terminate the authorization. To revoke payment, I must contact the Internal Revenue Service at the applicable toll free number listed above no later than 14 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payments of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payments.			
<b>Debit Payments Self-Identifier</b> If you are unable to make electronic payments through a debit instrument (debit payments) by providing your banking information in a. and b. above, please check the box below:			
<input type="checkbox"/> I am unable to make debit payments			
Note: Not checking this box indicates that you are able but choosing not to make debit payments. See Instructions to Taxpayer below for more details.			
Your signature	Date	Title (if Corporate Officer or Partner)	Spouse's signature (if a joint liability) Date
<b>FOR IRS USE ONLY</b>			
AGREEMENT LOCATOR NUMBER: _____			
Check the appropriate boxes:		<b>A NOTICE OF FEDERAL TAX LIEN (Check one box below)</b>	
<input type="checkbox"/> RSI '11' no further review	<input type="checkbox"/> AI '0' Not a PPIA	<input type="checkbox"/> HAS ALREADY BEEN FILED	
<input type="checkbox"/> RSI '15' PPIA IMF 2 year review	<input type="checkbox"/> AI '1' Field Asset PPIA	<input type="checkbox"/> WILL BE FILED IMMEDIATELY	
<input type="checkbox"/> RSI '15' PPIA BMF 2 year review	<input type="checkbox"/> AI '2' All other PPIAs	<input type="checkbox"/> WILL BE FILED WHEN TAX IS ASSESSED	
Agreement Review Cycle _____	Earliest CESED _____	<input type="checkbox"/> MAY BE FILED IF THIS AGREEMENT DEFAULTS	
<input type="checkbox"/> Check box if pre-assessed modules	Originator Code _____	NOTE: A NOTICE OF FEDERAL TAX LIEN WILL NOT BE FILED ON ANY PORTION OF YOUR LIABILITY WHICH REPRESENTS AN INDIVIDUAL SHARED RESPONSIBILITY PAYMENT UNDER THE AFFORDABLE CARE ACT.	
Originator's ID number _____	Originator Code _____		
Name _____	Title _____		
Agreement examined or approved by (Signature, title, function)	Date _____		
Calling Number 186448	www.irs.gov	Form 433-D (Rev. 7-2020)	

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# Payroll Deduction

- One of the required methods for SIA over \$25,000 assessed.
- RO or ACS may request for other installment agreement types (RARE) OR taxpayer may request when establishing an IA.
- Form 2159 is used to establish.

**Form 2159**  
(May 2020)

Department of the Treasury - Internal Revenue Service  
**Payroll Deduction Agreement**  
(See instructions on the back of this page.)

**TO:** (Employer name and address)  
Contact person's name Telephone (include area code) Social security or employer identification number (Employer) (Specify, see last page)

**Regarding:** (Taxpayer name and address)  
Details: Payments Self-identifier  
If you are unable to make electronic payments through a debit instrument (debit payments) by entering into a direct debit installment agreement, please check the box below:  
 I am unable to make debit payments  
**Note:** Not checking this box indicates that you are able but choosing not to use a debit instrument for your payments. See instructions, or contact your employer, for more details.  
For assistance, call: **1-800-829-0115** (Business) or **1-800-829-0122** (Individuals - Wage Earners)

**EMPLOYER** - See the instructions on the back of Part 2. The taxpayer identified above on the right named you as an employer. Please read and sign the following statement to agree to without annotation from the taxpayer's payee's wages or salary to apply to taxes owed.  
I agree to participate in this payroll deduction agreement and will withhold the amount shown below from each wage or salary payment due this employee. I will send the money to the Internal Revenue Service every: (Check one box.)  
 WEEK  TWO WEEKS  MONTH  OTHER (Specify):  
Date by which payments will be sent beginning on \_\_\_\_\_  
Signed: \_\_\_\_\_ Date: \_\_\_\_\_ (City, State, and ZIP Code) \_\_\_\_\_  
Title: \_\_\_\_\_  
Kind(s) of taxes (Form number): \_\_\_\_\_ Tax period(s): \_\_\_\_\_ Amount owed as of: \_\_\_\_\_ plus all penalties and interest provided by law.  
I am paid every (Check one):  WEEK  TWO WEEKS  MONTH  OTHER (Specify): \_\_\_\_\_  
I agree to have \$ \_\_\_\_\_ deducted from my wage or salary payments beginning \_\_\_\_\_ and paid by the employer to the IRS until the total liability is paid in full. I also agree and authorize this deduction to be increased or decreased as follows:  
Date of increase (or decrease): \_\_\_\_\_ Amount of increase (or decrease): \_\_\_\_\_ New installment payment amount: \_\_\_\_\_

**Terms of this agreement** - By completing and submitting this agreement, you (the taxpayer) agree to the following terms:  
- You will make each payment so that we (IRS) receive it by the due date stated on the back of this form. If you cannot make a scheduled payment or receive an additional liability, contact us immediately.  
- This agreement is based on your current financial condition. We may modify or terminate the agreement if our information shows that your ability to pay has significantly changed. You must provide updated financial information when requested.  
- While this agreement is in effect, you must file all federal tax returns and pay any (default) taxes you owe on time.  
- We will apply your federal tax refunds or overpayments (if any) to the amount you owe until it is fully paid, including any interest/penalty/charges under the Affordable Care Act.  
- You must pay a \$25 fee per year, and we have authority to debit from your first payment (S). You may be eligible for a reduced user fee of \$43 that may be waived or reimbursed if certain conditions are met. Form 1040 for qualified filers. For more information, see the instructions for Form 1040.  
- If you default on your installment agreement and we terminate the agreement, you must pay a \$43 fee per agreement. This fee is waived or reimbursed if certain conditions are met. Form 1040 for qualified filers. For more information, see the instructions for Form 1040.  
- We will not be responsible for the return of your tax payments if they are not received by us from your first payment(s) after the agreement is established. If reinstated, you agree to the terms of this agreement.  
Additional terms (To be completed by IRS):  
Your signature \_\_\_\_\_ Title (if Corporate Officer or Partner) \_\_\_\_\_ Date \_\_\_\_\_  
Spouse's signature (if a joint liability) \_\_\_\_\_ Date \_\_\_\_\_

**AGREEMENT LOCATOR NUMBER:** \_\_\_\_\_ Originator's ID #: \_\_\_\_\_ Originator Code: \_\_\_\_\_  
Check the appropriate boxes:  
 RSI "1" no further review  AI "0" Not a PPIA  
 RSI "0" PPIA IMF 2-year review  AI "1" Field Asset PPIA  
 RSI "0" PPIA BMF 2-year review  AI "2" All other PPIAs  
Agreement Review Cycle: \_\_\_\_\_  
Earliest CESE: \_\_\_\_\_  
 Check box if pre-assessed modules included  
Agreement examined or approved by (Signature, title, function): \_\_\_\_\_

**FOR IRS USE ONLY:**  
**A NOTICE OF FEDERAL TAX LIEN** (Check one box)  
 HAS ALREADY BEEN FILED  
 WILL BE FILED IMMEDIATELY  
 WILL BE FILED WHEN TAX IS ASSESSED  
 MAY BE FILED IF THIS AGREEMENT DEFAULTS

Part 1 - Acknowledgment Copy (Return to IRS) Catalog Number 2147594 www.irs.gov Form 2159 (Rev. 5-2020)

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# Form 9465

## Installment Agreement Request

- Audience
  - Automated Collections System (ACS)
- Type of Tax Debt
  - Debt owed by an Individual Taxpayer (1040, Civil Penalties, etc.)
  - Sole Proprietors (1040, 941, etc.)
- Used to establish Streamline Installment Agreements.
- Tax Preparer/Tax Software might generate for a client to submit with 1040. CHECK for additional balance dues AND consider alternatives.

**9465**  
(Rev. December 2020)  
Department of the Treasury  
Internal Revenue Service

**Installment Agreement Request**  
Go to [www.irs.gov/Form9465](http://www.irs.gov/Form9465) for instructions and the latest information.  
If you are filing this form with your tax return, attach it to the front of the return.  
OMB No. 1545-0074

**Tip:** If you owe \$50,000 or less, you may be able to avoid filing Form 9465 and establish an installment agreement online, even if you haven't yet received a tax bill. Go to [www.irs.gov/OPA](http://www.irs.gov/OPA) to apply for an Online Payment Agreement. If you establish your installment agreement using the Online Payment Agreement application, the user fee that you pay will be lower than it would be with Form 9465. See separate instructions.

**Part 1 Installment Agreement Request**  
This request is for Form(s) (for example, Form 1040 or Form 941) ▶  
Enter tax year(s) (or periods) involved (for example, 2018 and 2019, or January 1, 2018, to June 30, 2019) ▶

**1a** Your first name and initial Last name Name Title Your social security number  
If a joint return, spouse's first name and initial Last name Spouse's social security number  
Current address (number and street). If you have a P.O. box and no home delivery, enter your box number Apt. number  
City, town or post office, state, and ZIP code. If a foreign address, also complete the spaces below (see instructions).  
Foreign country name Foreign province/state/country Foreign postal code

**1b** If this address is new since you filed your last tax return, check here  Yes  No  
**2** Name of your business (must no longer be operating) Foreign province/state/country Employer identification number (EIN)

**3** Your home phone number Best time for us to call Ext. Best time for us to call  
Your work phone number Ext. Best time for us to call

**5** Enter the total amount you owe as shown on your tax return(s) (or notice(s)) 5  
**6** If you have any additional balances due that aren't reported on line 5, enter the amount here (even if the amounts are included in an existing installment agreement) 6

**7** Add lines 5 and 6 and enter the result 7  
**8** Enter the amount of any payment you're making with this request. See instructions. 8  
**9** Amount owed. Subtract line 8 from line 7 and enter the result 9  
**10** Divide the amount on line 9 by 72.0 and enter the result 10

**11a** Enter the amount you can pay each month. Make your payment as large as possible to limit interest and penalty charges, as these charges will continue to accrue until you pay in full. If you have an existing installment agreement, this amount should represent your total proposed monthly payment amount for all your liabilities. If no payment amount is listed on line 11a, a payment will be determined for you by dividing the balance due on line 9 by 72 months. 11a \$  
b If the amount on line 11a is less than the amount on line 10 and you're able to increase your payment to an amount that is equal to or greater than the amount on line 10, enter your revised monthly payment. 11b \$  
If you can't increase your payment on line 11b to more than or equal to the amount shown on line 10, check the box. Also, complete and attach Form 433-F, Collection Information Statement. 11c   
If the amount on line 11a is more than or equal to the amount on line 10 and the amount you owe is over \$25,000 but not more than \$50,000, then you don't have to complete Form 433-F. However, if you don't complete Form 433-F, then you must complete either line 13 or 14.  
If the amount on line 9 is greater than \$50,000, complete and attach Form 433-F.

**12** Enter the date you want to make your payment each month. Don't enter a date later than the 28th of the month. 12

**13** If you want to make your payments by direct debit from your checking account, see the instructions and fill in lines 13a and 13b. This is the most convenient way to make your payments and it will ensure that they are made on time.  
a Routing number  b Account number   
I authorize the U.S. Treasury Financial Agency and the financial institution to debit the amount on line 10 from my checking account and to make payments of my federal taxes owed, and the financial institution to debit the entry to this account. This authorization is return in full force and effect until I notify the U.S. Treasury Financial Agency of my revocation. To enable payment, I must contact the U.S. Treasury Financial Agency at 1-800-829-1040 no later than 14 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payments of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payments.

**c Low-income taxpayers only.** If you're unable to make electronic payments through a debit instrument by providing your banking information on lines 13a and 13b, check this box and your user fee will be reimbursed upon completion of your installment agreement. See instructions.

**14** If you want to make payments by payroll deduction, check this box and attach a completed Form 2159.

By signing and submitting this form, I authorize the IRS to contact third parties and to disclose my tax information to third parties in order to process the request and administer the agreement over its duration. I also agree to the terms of this agreement, as provided in the instructions, if it's approved by the IRS.  
Your signature \_\_\_\_\_ Date \_\_\_\_\_ Spouse's signature, if a joint return, both must sign. \_\_\_\_\_ Date \_\_\_\_\_

For Privacy Act and Paperwork Reduction Act Notice, see instructions. Cat. No. 1842Y Form 9465 (Rev. 9-2020)

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# Non-Streamlined Installment Agreements (NSIA)

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## Non-Streamlined Installment Agreement (NSIA)

### ➤ Applies

- Individuals with an **ASSESSED** balance of tax, penalties and interest up to \$250,000 with no RO assigned.

### ➤ Payment Terms

- Up to the Collection Statute Expiration Date (CSED). Maximum CSED is 10 Years.

### ➤ Collection Information Statement (Form 433)

- Generally not required, but taxpayers with prior IA defaults may need to provide some financial disclosure.
- As of January 2023, taxpayers seeking to release a levy and/or whose debt has been certified as seriously delinquent will be required to provide a CIS (see memo sbse-05-123-0189-redacted).

### ➤ Notice of Federal Tax Lien

- Requires a Notice of Federal Tax Lien (NFTL)

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IRS ACCOUNT STATUS DASHBOARD									
Year	Return Filed	Filing Status	Extension Date	Lien Active	Collections Active	Examination Active	Assessed Balance	Accrued Balance	Transcript Date
2023	RDNF	UK					-	-	4/20/2023
2022	No	MFJ	10/15/2023						4/20/2023
2021	Original	MFJ	10/15/2022		No		\$148,456.22	\$153,391.13	4/20/2023
2020	Original	MFJ	10/15/2021				\$0.00	\$0.00	4/20/2023
2019	Original	MFJ	10/15/2020				\$0.00	\$0.00	4/20/2023
2018	Original	MFJ	10/15/2019				\$0.00	\$0.03	4/20/2023
2017	Original	MFJ	10/15/2018				\$0.00	\$0.00	4/20/2023
2016	Original	MFJ	10/15/2017				\$0.00	\$0.00	4/20/2023
2015	Original	MFJ	10/15/2016				\$0.00	\$0.00	4/20/2023
2014	Original	MFJ	10/15/2015				\$0.00	\$0.00	4/20/2023
Total							\$148,456.22	\$153,391.17	

RESOLUTION AND COLLECTION DASHBOARD									
Year	Accrued Balance	Return Filed	SFR Filed Date	Final Notice of Intent To	Collections Active	Last Activity	Estimated CSED IA Payments*	Estimated 72 Mth IA Payments*	
2023	-	RDNF					\$0.00	\$0.00	
2022	-	RDNF					\$0.00	\$0.00	
2021	\$153,391.13	Original	none	none	No		\$1,803.43	\$2,616.62	
2020	\$0.00	Original	none	none			\$0.00	\$0.00	
2019	\$0.00	Original	none	none			\$0.00	\$0.00	
2018	\$0.03	Original	none	none			\$0.00	\$0.00	
2017	\$0.00	Original	none	none			\$0.00	\$0.00	
2016	\$0.00	Original	none	none			\$0.00	\$0.00	
2015	\$0.00	Original	none	none			\$0.00	\$0.00	
2014	\$0.00	Original	none	none			\$0.00	\$0.00	
Total Estimated IA Payment (Does Not Include)							\$1,803.43	\$2,616.62	

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## How to Establish

- Call Automated Collections System (ACS) verbally request the Installment Agreement.
  - Call Practitioner Priority Service (PPS) at 1-866-860-4259 and select option 4 to reach ACS
  - Requires Manager approval (5-10 business days)
- Payment Type Options
  - Mail in check or money order with vouchers
  - Direct Debit with 433D
    - ACS may request Direct Debit Installment Agreement (DDIA) if taxpayer has history of prior defaults.
  - Payroll Deduction using Form 2159
  - Online via direct pay or EFTPS

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# Partial Pay Installment Agreements (PPIA)

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## Partial Pay Installment Agreement (PPIA)

### ➤ Applies

- Individuals with an **ASSESSED** balance of tax, penalties and interest up to \$250,000 with no RO assigned.
- Any amount over \$250,000 **ASSESSED** seeking a Partial Pay Instalment Agreement will require assignment to a Revenue Officer (RO) for Collection Determination.

### ➤ Payment Terms

- Subjective, based on Collection Information Statement and IRS Collection Determination.

### ➤ Collection Information Statement (Form 433)

- Required to be considered.

### ➤ Notice of Federal Tax Lien

- Requires a Notice of Federal Tax Lien (NFTL)

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## Partial Pay Installment Agreement (PPIA)

- IRM 5.14.2.2 (1) All taxpayers are expected to immediately full pay delinquent tax liabilities. When this is not possible, taxpayers may be allowed to pay their liabilities over a prescribed period of time. If full payment cannot be achieved by the Collection Statute Expiration Date (CSED), and taxpayers have some ability to pay, the Service can enter into Partial Payment Installment Agreements (PPIAs).
  - Authorization: The American Jobs Creation Act of 2004 amended IRC 6159 to provide this authority.
- All PPIAs require managerial approval.
- A full Collection Information Statement (CIS) is required for all PPIAs. See IRM 5.14.2.2.1.
  - 433-F for Individual Debts assigned to Automated Collections System (ACS).
  - 433-A for Individual Debts assigned to a Revenue Officer (RO).
  - 433-B for Business Liabilities (LLC, S-Corp, Partnerships, C-Corp, etc.)




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## Partial Pay Installment Agreement (PPIA)

- PPIAs are, essentially, allowed because requiring certain taxpayers to full pay would place them in economic hardship which is defined by the inability to pay **“necessary & reasonable living expenses.”**
- IRS accepts the taxpayer’s CURRENT inability to full pay the debt but reserves the right to collect more if the taxpayer’s financial situation changes in the FUTURE.
- Trigger for Requesting Updated Financial Information
  - Manual – 12, 18, or 24 months
  - Systemic – Based on reported income reaching a threshold as input by the manager when approving the PPIA.




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## PPIA & Equity in Assets

- IRM 5.14.2.2 (2) Before a PPIA may be granted, equity in assets must be addressed and, if appropriate, be used to make payment. In some cases, taxpayers will be required to use equity in assets to pay liabilities.
- When collecting delinquent taxes, the IRS is required to consider the means least intrusive to the taxpayers while still meeting the needs of the IRS.
- IRS cannot force a taxpayer to liquidate assets BUT can deny an Installment Agreement (protection) until it is done.
- IRM 5.14.1.4 (5) If Taxpayers have equity in assets that could be used to **fully or substantially satisfy balance due accounts**, explore the possibility of liquidating or borrowing against those assets, unless:
  - Factors such as advanced age, ill-health, or other special circumstances are determined to prevent the liquidation of the assets
  - The asset is necessary for the production of income or the health and welfare of the family.
  - They qualify for guaranteed or streamlined or *Express* agreements.

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### Form 433-F

#### Collection Information Statement

- Audience
  - Automated Collections System (ACS)
- Type of Tax Debt
  - Debt owed by an Individual Taxpayer (1040, Civil Penalties, etc.)
  - Sole Proprietors (1040, 941, etc.)
- When Required
  - Pursuing PPIA or CNC through ACS

Form 433-F (February 2019)		Department of the Treasury - Internal Revenue Service Collection Information Statement				
Name(s) and Address		Your Social Security Number or Individual Taxpayer Identification Number				
If address provided above is different than last return filed, please check here		Your telephone numbers Home: _____ Work: _____ Cell: _____		Spouse's telephone numbers Home: _____ Work: _____ Cell: _____		
County of Residence		Enter the number of people in the household who can be claimed on this year's tax return including you and your spouse. Under 65 65 and Over				
If you or your spouse are self-employed or have self-employment income, provide the following information:						
Name of Business	Business EIN	Type of Business	Number of Employees (not counting owner)			
<b>A. ACCOUNTS / LINES OF CREDIT</b>						
<b>PERSONAL BANK ACCOUNTS</b> Include checking, online, mobile (e.g., PayPal), savings accounts, money market accounts. (Use additional sheets if necessary.)						
Name and Address of Institution	Account Number	Type of Account	Current Balance/Value	Check if Business Account		
<b>INVESTMENTS</b> Include Certificates of Deposit, Trusts, Individual Retirement Accounts (IRAs), Keogh Plans, Simplified Employee Pensions, 401(k) Plans, Profit-Sharing Plans, Mutual Funds, Stocks, Bonds, Commodities (Silver, Gold, etc.), and other investments. If applicable, include business accounts. (Use additional sheets if necessary.)						
Name and Address of Institution	Account Number	Type of Account	Current Balance/Value	Check if Business Account		
<b>VIRTUAL CURRENCY (CRYPTOCURRENCY)</b> List all virtual currency you own or in which you have a financial interest (e.g., Bitcoin, Ethereum, Litecoin, Ripple, etc.) (Use additional sheets if necessary.)						
Type of Virtual Currency	Name of Virtual Currency Wallet, Exchange or Digital Currency Exchange (DCE)	Email Address Used to Set Up With the Virtual Currency Exchange or DCE	Location(s) of Virtual Currency (Mobile Wallet, Online, and/or External Hardware storage)	Virtual Currency Amount and Value in US dollars as of today (e.g., 10 Bitcoins \$64,500 USD)		
<b>B. REAL ESTATE</b> Include home, vacation property, timeshares, vacant land and other real estate. (Use additional sheets if necessary.)						
Description, Location/County	Monthly Payment(s)	Financing	Current Value	Balance Owed	Equity	
Primary Residence <input type="checkbox"/> Other <input type="checkbox"/>	Year Purchased	Purchase Price				
	Year Refinanced	Refinance Amount				
Primary Residence <input type="checkbox"/> Other <input type="checkbox"/>	Year Purchased	Purchase Price				
	Year Refinanced	Refinance Amount				
<b>C. OTHER ASSETS</b> Include cars, boats, recreational vehicles, whole life policies, etc. Include make, model and year of vehicles and name of Life Insurance company in Description. If applicable, include business assets such as tools, equipment, inventory, etc. (Use additional sheets if necessary.)						
Description	Monthly Payment	Year Purchased	Final Payment (year)	Current Value	Balance Owed	Equity
<b>D. CREDIT CARDS</b> (Visa, MasterCard, American Express, Department Stores, etc.)						
Type	Credit Limit	Balance Owed	Minimum Monthly Payment			
<b>TURN PAGE TO CONTINUE</b>						
Catalog Number 62053J		www.irs.gov		Form 433-F (Rev. 2-2019)		

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**Form 433-A****Collection Information Statement for Wage Earners and Self-Employed Individuals**

- Audience
  - Revenue Officers
- Type of Tax Debt
  - Debt owed by an Individual Taxpayer (1040, Civil Penalties, etc.)
  - Sole Proprietors (1040, 941, etc.)
- When Required
  - Revenue Officer Requests
  - Pursuing PPIA or CNC

Form 433-A		Collection Information Statement for Wage Earners and Self-Employed Individuals	
<small>May 2023 Department of the Treasury Internal Revenue Service</small>			
<small>Wage Earners Complete Sections 1, 2, 3, 4, and 5 including the signature line on page 4. Answer all questions or write N/A if the question is not applicable. Self-Employed Individuals Complete Sections 1, 3, 4, 5, 6 and 7 and the signature line on page 4. Answer all questions or write N/A if the question is not applicable. For Additional Information, refer to Publication 1854, "How To Prepare a Collection Information Statement." Include attachments if additional space is needed to respond completely to any question.</small>			
Name on Internal Revenue Service (IRS) Account		Employer Identification Number (EIN)	
<b>Section 1: Personal Information</b>			
1a Full Name of Taxpayer and Spouse (if applicable)		1e Home Phone ( ) ( ) ( )	1f Cell Phone ( ) ( ) ( )
1b Address (Street, City, State, ZIP code) (County of Residence)		1g Business Phone ( ) ( ) ( )	1h Business Cell Phone ( ) ( ) ( )
2a Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (Single, Divorced, Widowed)		2b Name, Age, and Relationship of persons in household or claimed as a dependent(s)	
3a Taxpayer SSN or ITIN State of Birth (mm/dd/yyyy)		Driver's License Number and State	
3b Spouse SSN or ITIN State of Birth (mm/dd/yyyy)			
<b>Section 2: Employment Information for Wage Earners</b>			
If you or your spouse have self-employment income instead of or in addition to wage income, complete Business Information in Sections 6 and 7.			
4a Taxpayer's Employer Name		5a Spouse's Employer Name	
4b Address (Street, City, State, and ZIP code)		5b Address (Street, City, State, and ZIP code)	
4c Work Telephone Number ( ) ( ) ( )	4d Does employer allow contact at work? <input type="checkbox"/> Yes <input type="checkbox"/> No	5c Work Telephone Number ( ) ( ) ( )	5d Does employer allow contact at work? <input type="checkbox"/> Yes <input type="checkbox"/> No
4e How long with this employer (years) (months)	4f Occupation	5e How long with this employer (years) (months)	5f Occupation
4g Number of withholding allowances claimed on Form W-4 <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Other	4h Pay Period: <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Other	5g Number of withholding allowances claimed on Form W-4 <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Other	5h Pay Period: <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Other
<b>Section 3: Other Financial Information (Attach copies of applicable documentation)</b>			
6 Are you a party to a lawsuit (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
<input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant	Location of Filing	Represented by	Docket/Case No.
Amount of Suit \$	Possible Completion Date (mm/dd/yyyy)	Subject of Suit	
7 Have you ever filed bankruptcy (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Date Filed (mm/dd/yyyy)	Date Discharged (mm/dd/yyyy)	Date Discharged (mm/dd/yyyy)	Prison No. Location Filed
8 In the past 10 years, have you lived outside of the U.S. for 6 months or longer (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Dates lived abroad from (mm/dd/yyyy) To (mm/dd/yyyy)			
9a Are you the beneficiary of a trust, estate, or life insurance policy (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Name of the trust, estate, or policy		Anticipated amount to be received \$	When will the amount be received
9b Are you a trustee, fiduciary, or contributor of a trust? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Name of the trust			
10 Do you have a safe deposit box (business or personal) (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Location (Name, address and box number(s))		Contents	Value \$
11 In the past 10 years, have you transferred any assets for less than their full value (if yes, answer the following)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
List Asset(s)	Value at Time of Transfer \$	Date Transferred (mm/dd/yyyy)	To Whom or Where was it Transferred
Catalog Number 2021204 www.irs.gov Form 433-A (Rev. 8-2020)			

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## How to Establish

- Call Automated Collections System (ACS) verbally provide Form 433F over the phone.
  - Call 1-866-860-4259 option 4 to reach ACS
  - Can also be mailed to ACS but NOT recommended
  - Require Manager approval (5-10 business days)
- Payment Type Options
  - Mail in check or money order with vouchers
  - Direct Debit with 433D
    - IRS may request Direct Debit Installment Agreement (DDIA) if taxpayer has history of prior defaults. ROs almost ALWAYS request Direct Debit Installment Agreement (DDIA).
  - Payroll Deduction using Form 2159
  - Online via direct pay or EFTPS

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## Collection Information Statement Resources

- IRS Collection Financial Standards (last updated 4/25/2022)
  - <https://www.irs.gov/businesses/small-businesses-self-employed/collection-financial-standards>
- Financial Analysis Handbook
  - IRM 5.15.1
  - [https://www.irs.gov/irm/part5/irm\\_05-015-001](https://www.irs.gov/irm/part5/irm_05-015-001)
- Commercial software is available to assist in gathering, inputting, analyzing, and generating Collection Information Statements (CIS).



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## Additional Details



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## Terms & Conditions of Installment Agreements

- Must select a payment due date 1<sup>st</sup> through 28<sup>th</sup> of each month. There MUST be at least 30 days between establishment of the Installment Agreement and the 1<sup>st</sup> payment.
- Taxpayer agrees to:
  - File and pay future taxes on time and in full.
  - Pay monthly installment agreement payments on time and in full.
- Installment Agreement can be triggered to default (i.e. removed) if one of the following occurs:
  - Taxpayer stops making IA payments after IRS has made demand to catch up.
  - Taxpayer fails to file.
  - Taxpayer filed a return with a balance due that remains unpaid after IRS demands payment.
- In instances of Partial Pay Installment Agreements the IRS reserves the right to request updated Collection Information Statements and revise the Installment Agreement if they show an increased ability to pay.
- IRS will offset ALL refunds until the debt is paid in full or becomes unenforceable by operation of CSEDs.
- The IRS charges a fee (varies) to establish and revise installment agreements.




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## Automated Collection System (ACS) vs. Revenue Officers (RO)

- IRS mission is to collect taxes in an **efficient** manner while ensuring they **uphold** the tax laws and ensure **fairness** in the tax system.
- ACS rules and programs ALL support liberal approval of Installment Agreements as an **efficient** means of collections. They may deny and request liquidation of assets on some occasions but that is mostly referred to the field (ROs).
- The mission of ROs skews towards ensuring they **uphold** the tax laws and ensure **fairness** in the tax system. Will want a Collection Information Statement (CIS) 99% of the time.
  - NOT required to grant Streamline and Non-Streamline Installment Agreements if taxpayer has an ability to pay higher. More likely to require assets be liquidated.




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## Power of Attorney (2848) vs Tax Information Authorization (8821)

- In order to establish an Installment Agreement on behalf of a taxpayer you must have Power of Attorney (2848), an 8821 is insufficient.
  - Generally limited to Enrolled Agents, CPAs, and Attorneys (see 2848 instructions for limited exceptions).
- An unenrolled preparer, lacking the ability to represent taxpayers, will NOT be able to establish Installment Agreements. However, you may be able to provide limited advice and forms to your clients to pursue.
  - Check the limits of E&O insurance on advice and any fees.
  - Consider forming referral relationship with local tax pro specializing in tax resolution.




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## Collection Statute Expiration Date (CSED)

- The IRS has a limited amount of time to collect tax debts, this is the CSED. If the IRS cannot collect a balance due prior to the expiration of the CSED it is written off and no longer enforceable (with some limited exceptions).
- The CSED is 10 years after date of assessment PLUS additional time for tolling events. Each tax assessment has its own CSED.
  - See IRM 5.1.19 for more details on CSEDs.
- When looking at Installment Agreement options it is important to know the CSEDs of the existing balances and how this will impact Installment Agreement calculations.
  - Streamline & Non Streamline Installment Agreements without Collection Information Statements require (at a minimum) full pay prior to the expiration of the CSEDs.




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CSED CALCULATIONS AND IA PAYMENTS

Year	Code	Assessment	Date	Original Assessed Amount	Remaining Balance	Estimated Total Tolling Days	Estimated THS Calculated CSED	IRS CSED	CSED Days Variation	Months Until CSED	Estimated IA Payments CSED (Including Daily Accrued Interest)**	Estimated IA Payments 72 Mths (Including Daily Accrued Interest)**
2020		2020 Accrued Interest			\$12.43		12/16/2031			116	\$0.12	\$0.19
		2020 Accrued Penalty			\$0.00		12/16/2031			116	\$0.00	
		2020 Total IA Payments									\$32.30	
	150	Tax return filed	11/15/2021	\$23,677.00	\$2,616.66	30	12/16/2031	12/15/2031	0	116	\$26.02	\$39.76
	176	Penalty for not pre-paying tax	11/15/2021	\$153.79	\$153.79	30	12/16/2031	12/15/2031	0	116	\$1.53	\$2.34
	196	Interest charged for late payment	11/15/2021	\$224.23	\$224.23		12/16/2031	12/15/2031	0	116	\$2.23	\$3.41
	196	Interest charged for late payment	4/18/2022	\$30.18	\$30.18		12/16/2031 uk			116	\$0.30	\$0.46
	276	Penalty for late payment of tax	11/15/2021	\$211.32	\$211.32		12/16/2031	12/15/2031	0	116	\$2.10	\$3.21
2019		2019 Accrued Interest			\$1,271.59		1/28/2031			106	\$13.67	\$19.32
		2019 Accrued Penalty			\$1,263.88		1/28/2031			106	\$13.59	\$19.21
		2019 Total IA Payments									\$247.80	
	150	Tax return filed	11/16/2020	\$28,363.00	\$19,020.26	72	1/28/2031	1/27/2031	0	106	\$204.52	\$289.02
	170	Penalty for not pre-paying tax	11/16/2020	\$525.00	\$525.00	72	1/28/2031	1/27/2031	0	106	\$5.65	\$7.98
	196	Interest charged for late payment	11/16/2020	\$279.52	\$279.52		1/28/2031	1/27/2031	0	106	\$3.01	\$4.25
	276	Penalty for late payment of tax	11/16/2020	\$684.07	\$684.07		1/28/2031	1/27/2031	0	106	\$7.36	\$10.39

Calculating IA amount by assessment & CSED for high levels of accuracy. Can accomplish a similar calculation (smaller scale with higher error rate) using balance dues and CSEDs from PPS/transcripts in an excel worksheet.

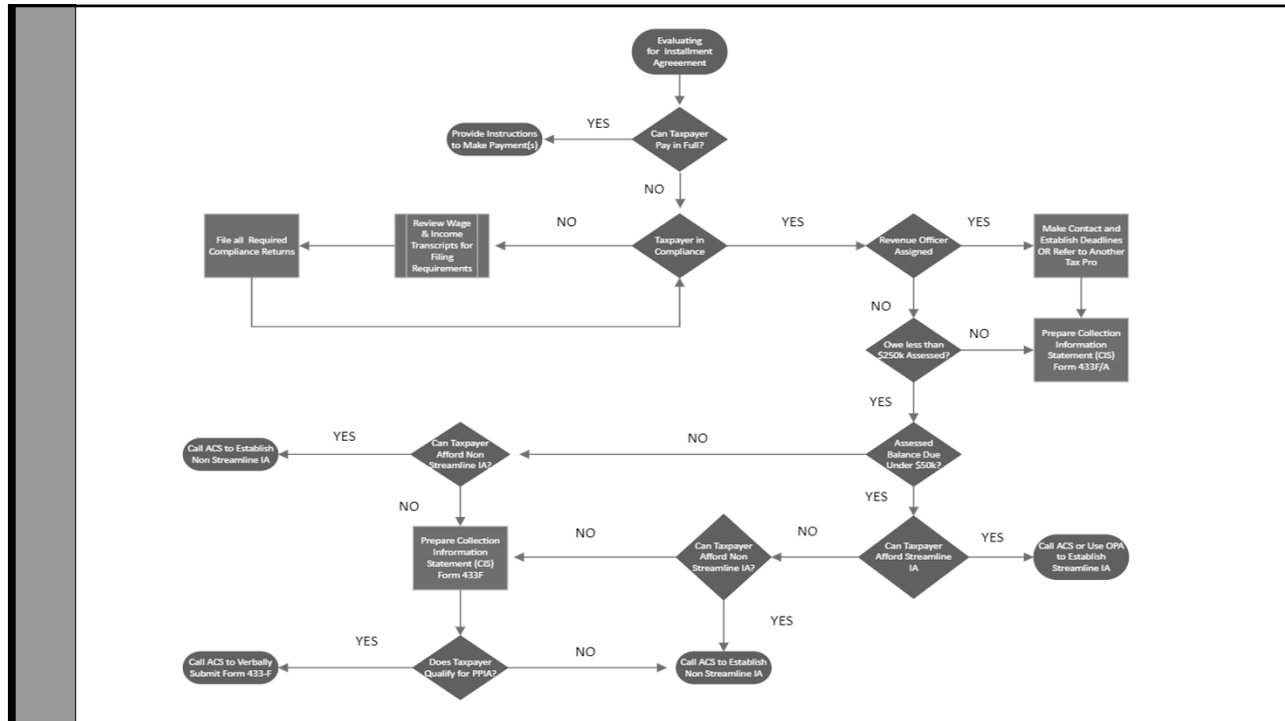
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RESOLUTION AND COLLECTION DASHBOARD

Year	Accrued Balance	Return Filed RDNF	SFR Filed Date	Final Notice of Intent To Levy Date	Collections Active	Last Activity	Last Activity Date	Estimated CSED IA Payments*	Estimated 72 Mth IA Payments*
2022 -								\$0.00	\$0.00
2021	\$0.00	No	none	none				\$0.00	\$0.00
2020	\$37.43	Original	none	none	No			\$0.38	\$0.57
2019	\$0.00	Original	none	none				\$0.00	\$0.00
2018	\$0.00	Original	none	none				\$0.00	\$0.00
2017	\$0.00	Original	none	none				\$0.00	\$0.00
2016	\$2,956.06	Original	none	none	No	Account currently considered collectable	11/1/2021	\$53.11	\$53.11
2015	\$10,226.11	Original	none	none	No	Account currently considered collectable	11/1/2021	\$110.59	\$110.59
2014	\$10,636.05	Original	none	none	No	Account currently considered collectable	11/1/2021	\$119.33	\$119.33
2013	\$10,881.36	Original	none	none	No	Account currently considered collectable	11/1/2021	\$169.65	\$169.65
2012	\$0.00	Original	none	none				\$0.00	\$0.00
2011	\$0.00	Original	none	none				\$0.00	\$0.00
2010	\$0.00	Original	none	none				\$0.00	\$0.00
						Total Estimated IA Payment (Does Not Include SRP)*		\$453.06	\$453.25

Example where the Streamline & Non Streamlined IA amounts are almost identical because of CSEDs being further out. 57-70 months on the 2013, 2014, 2015, & 2016 tax periods...less than 72 month streamlined IA terms.

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### INSTALLMENT AGREEMENT COMPARISON CHART

IA Type	<u>ASSESSED</u> Debt Limit	Payment Terms	Collection Information Statement (CIS) Required	Notice of Federal Tax Lien (NFTL)
Streamline Installment Agreement (SIA) IRM 5.14.5.2	\$50,000	Full pay assessed balance within 72 months OR before CSEDs expire, whichever is sooner.	NO	NO ***MAY file if taxpayer previously defaulted a SIA.
Non Streamline Installment Agreement (NSIA) IRM 5.19.1.6.4(12)	\$250,000	Full pay balance due prior to expiration of the CSEDs.	NO ***Required for Levy Release & Debts Certified as Seriously Delinquent.	YES
Partial Pay Installment Agreement (PPIA) IRM 5.14.2	\$250,000	Final monthly payment will be based on the CIS (Form 433).	YES	YES

\*\*\*This chart details the limits of Automated Collections System (ACS) in establishing IAs as set forth and published in the IRM as it relates to individual tax debt. The SIA and NSIA DO NOT have to be granted by Revenue Officers (ROs).

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### IRS Data on Installment Agreements

Source: TIGTA Audit Report (3/22/2022) The Administration of Partial Payment Installment Agreements Needs Improvement

NOTE: 2022 Purple Book Released by TAS estimated 27% of taxpayers in Streamline Installment Agreements may have qualified for CNC or OIC.

### Percentage of IAs that are PPIAs

2016	1.57%
2017	1.36%
2018	1.23%
2019	1.30%
2020	1.18%

**Figure 1: PPIAs and Total IAs Established From FY 2016 to FY 2020**

FY	New PPIAs Established	Total Amount (PPIA)	New IAs Established <sup>4</sup>	Total Amount (All IAs)
2016	48,854	\$4,481,275,462	3,115,404	\$25,351,456,573
2017	39,888	\$4,091,175,624	2,924,780	\$24,803,320,776
2018	35,516	\$4,327,329,033	2,883,035	\$24,395,480,132
2019	36,733	\$3,840,133,479	2,821,134	\$24,404,769,504
2020	21,501	\$2,939,772,574	1,825,378	\$17,778,827,629
Totals	182,492	\$19,679,686,172	13,569,731	\$116,733,854,614

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## Conclusion

- IRS Installment Agreements are a function of balance due, CSEDs, and affordability for taxpayers.
- Whether you want to expand your practice offerings or just be able to answer client questions, having the ability to easily review and calculate IRS Installment Agreement options is a win-win.
- IRS transcripts are a vital tool in determining Installment Agreement options without having to spend time on hold with the IRS. Software takes it one step further by providing answers with little manual effort.

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# Questions?

Catharine O'Connor, Esq.

EMAIL: [info@taxmentor.com](mailto:info@taxmentor.com)



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