



GET THE IRS
TO STOP
HARASSING
YOU RIGHT
NOW!





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Introduction



Hi, my name is Claudia. I am a tax attorney with over twelve years of experience dealing with the IRS. However, most importantly, I understand how overwhelming this can be. I know about the feeling of panic that sets in when you see that new IRS letter. I bet you may even have a few unopened ones in a drawer in your home or office.

But guess what? It doesn't have to be that way. You don't have to fear the IRS, and I am going to tell you why. While the IRS is a mammoth government agency with vast resources, it is also forced to play by very specific rules. Rules that I am going to reveal to you in here. After all, David needed a slingshot to beat Goliath.

Claudia Moncarz

Step One: Determine Your Timeline

Okay, so you have decided it is time to face this head on. Congratulations!

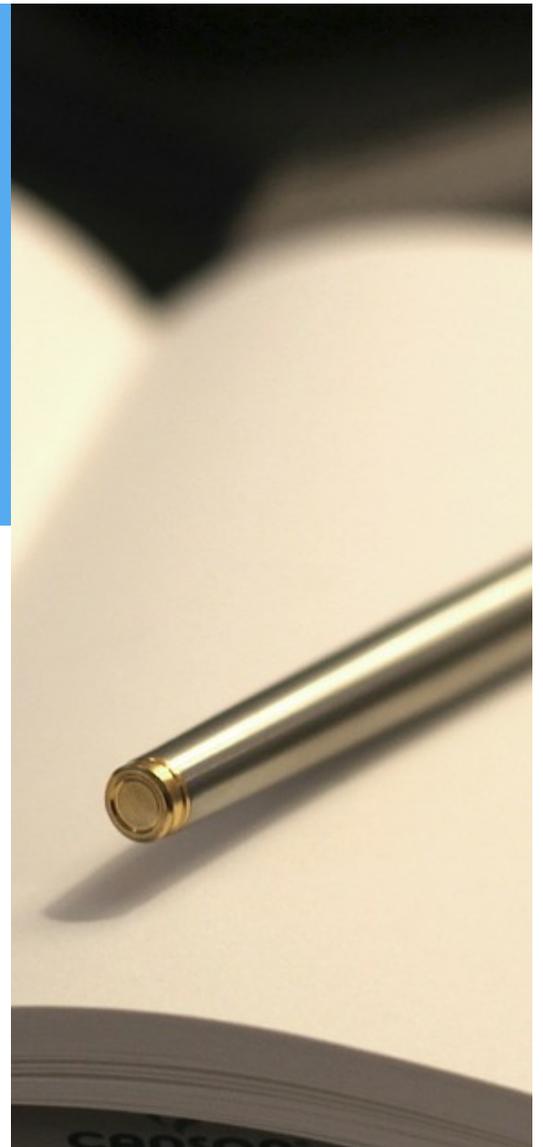
Now let's figure out how long you have until the IRS takes its next action. You need to do this so you can figure what course of action to take. After all, every battle strategy needs to be planned out.

So go ahead and find the latest IRS correspondence you received... I'll wait.

ACTION PLAN

- Find the latest IRS correspondence and open it.
- Look for the date by which you have to reply before the IRS takes action.
- The date I have to reply by is

_____.



Step Two: Determine What Tax Resolution Strategies to Use

Once you determine when you must act by, the next step is to determine what is your plan of battle to get rid of this tax debt. Below is a list of the most commonly used tax resolution strategies. You may be able to use one or a combination of them. So let's get started and let me tell you a little about each one.

Tax Resolution Strategy #1: File Unfiled Tax Returns.

Is there any year for which you didn't file a tax return? If you answered yes to this question, then this is a good strategy to follow for two reasons.

First, if you fail to file a tax return, the IRS has prepared a substitute return for you. This return is based on the information the IRS has received from third parties (such as a 1099 for independent workers, freelancers and those that earn commissions and w-2 for employees). While the income side maybe somewhat accurate, the same can't be said for the deduction and credit side. Credits and deductions lower your tax liability (i.e., it shrinks that big IOU).

The second reason you want to file unfiled tax returns is that some of the other tax resolution strategies require you to be in compliance in order to qualify. This means that you must have every tax return filed no excuses.

Sometimes we don't remember if we filed a tax return for a particular year. If that is the case, then request a tax account transcript from IRS for the year in question.

Tax Resolution Strategy #2: Pay Everything at Once.

While this may not be a solution that is available to everyone, if this is an option for you, then consider it. If you can get a line of credit, personal loan, put it on your credit card or get a family loan you may want to explore this option. Unlike the IRS, none of those mentioned above lenders can garnish your wages or put a levy in your property. Also depending on your credit score, you may get a better interest rate from the bank than from the IRS. Besides the faster you pay off the IRS the less you will owe in penalties and taxes. The IRS adds interest and penalty to your unpaid tax liability on a monthly basis. It is not uncommon for your tax bill to double in a few months because of interest and penalty.

Tax Resolution Strategy #3: Installment Agreement.

There are two types of installment agreement processes; one for those that owe less than \$50,000 in taxes, interest, and penalties and another for those that owe more than \$50,000. To qualify for either program, you must file all past-due returns. Then you will agree to pay the tax liability owed in equal monthly payments for a set amount of time. Depending on the program you fall under, you may be required to provide additional income verification to the IRS.

Tax Resolution Strategy #4: Offer in compromise.

Under this strategy, you can settle with the IRS the full amount owed in taxes, interest, and penalties for a lesser amount. This amount is then paid in agreed monthly payments. The number arrived to settle the tax debt is determined by (i) your current financial situation, (ii) your ability to pay (i.e., your monthly income minus expenses) and (iii) your equity in assets. A word of caution here, what you think is reasonable monthly expenses may not be according to national set IRS guidelines.

While this is a great tax resolution strategy to implement, it is also the most difficult and longest to get to approve. However, if you have patience and provide a detailed and complete offer in compromise package to the IRS, you should have good results.

Tax Resolution Strategy #5: Currently not Collectible Status.

You may qualify for currently not collectible status if you don't have equity or assets to liquidate to pay off your tax bill or your income is not enough to pay your basic living expenses. In this case, the IRS will put a temporary hold on the collections process until your situation improves. This is your best resolution strategy if you are underemployed, unemployed or you receive income seasonally.

Tax Resolution Strategy #6: Innocent Spouse.

Sometimes the cause of your tax liability may not be you but the actions of your spouse or ex-spouse. If this is the case, you may qualify for the innocent spouse tax resolution strategy. To qualify for this program, you must be specific guidelines set by the IRS. Some of those guidelines are having no knowledge of the tax liability or being separation or divorce from your spouse.

Tax Resolution Strategy #7: National Taxpayer Advocate Services.

The National Taxpayer Advocate Service is an independent organization within the IRS. Its sole role is to assist taxpayers when normal procedures are not working. It is your voice within the IRS. It is there to ensure no unreasonable collection actions are being taken against, and that you know and understand your rights as a taxpayer. (Yes, you do have rights that the IRS needs to abide by.)

The beauty of the National Taxpayer Advocate Service is that they can suspend collection actions. Also, the National Taxpayer Advocate Service can issue taxpayer advocate orders (TAO), which can expedite the resolution of a tax collection matter. To get the assistance of the National Taxpayer Advocate Service all you need to show is that the collection process is resulting (or will result) in significant hardship to you.

Tax Resolution Strategy #8: Dispute the Taxes Owed.

If you filed your tax return but believe there is an error as to the amount owed, then you can file either an amended return or an offer in compromise under doubt as to liability.

Tax Resolution Strategy #9: Penalties Abatement.

Data shows that penalties can account for 10 to 30 percent of the tax liability owed. If you can show a reasonable cause for not paying your taxes on time or not paying the right amount, you may qualify for an abatement (i.e. forgiveness) of the assessed penalty. Common examples are unemployment, business failure, major illness, or bad accounting advice. Keep in mind that you must be able to proof these claims. Also the timing when making this request matter. For instance, if you qualify for the noncollectable on collections status, then don't bother with this tax resolution strategy.

Tax Resolution Strategy #10: Discharge of Taxes in Bankruptcy.

Another option of last resort would be to discharge your tax liability through bankruptcy. Depending on the type of bankruptcy and the type of taxes owed this may be a viable option. If this is something you are considering, my recommendation is that you contact a local bankruptcy attorney to discuss this option.

Tax Resolution Strategy #11: Expiration of the Collection Statute.

By law, the IRS has a deadline by when it can collect all taxes owed by you. That deadline is within ten years from the date of the assessment. After ten years, if there are no automatic extensions, and you did not agree in writing to extend the period, the IRS can no longer collect any taxes, interests or penalties due. So if you have tax liabilities that are just about or more than ten years old, then make sure to calculate the statute of limitation date. If the IRS filed a lien against you in the past, then check if a lien release has been filed.

A word of caution here, don't do this time calculation with a revenue agent. The IRS tends to ramp up its collections efforts when the statute of limitation is looming. So don't place a spotlight on your account.

ACTION PLAN

- Determine which tax resolution strategy (or combination of tax resolution strategies) you can implement.
- I can implement the following tax resolution strategies:

Step Three: Determine if You Will Handle this Yourself or You Will Hire a Tax Professional to Help You

Option 1: Do It Yourself.

So now that you have your plan of attack, you have to decide whether you will handle this on your own or will get the assistance from a tax professional. If you decide that your slingshot is ready and you are set to defeat Goliath, then go ahead and do it right now. However, here is my warning, be careful when talking to an IRS agent or representative. Remember their job is to collect the taxes due to the IRS, not to help you reduce or negotiate this debt. Make sure you don't give additional information that could be detrimental to you in the future.

Option 2: Hire a Tax Professional.

If you decided, you don't want to deal with the IRS (this may especially be your case if there is a revenue agent assigned to your account and I know how tenacious and annoying they can be) then go hire a tax professional to take care of this for you. The beauty of hiring a tax professional is that once a power of attorney is filed with IRS, the revenue agent cannot contact you unless the tax professional doesn't get back to them. However, before you go ahead and hire someone, let me give you some tips:

Hire a licensed tax professional. If you decide to hire a tax professional to help you with your tax liability make sure to hire a licensed one. Only CPAs, attorneys, and enrolled agents are licensed to represent taxpayers in front of the IRS.

Hire someone with experience. Not every tax professional has experience with tax resolution. Make sure to ask if they have any experience in the tax resolution arena. After all, you would not ask your dermatologist to perform heart surgery on you.

If you would like my help with your tax debt, then call 202-844-6533 or 786-541-2705 to set up a consultation to discuss how we can work together. If you want to work with me, don't wait!

ACTION PLAN

- Determine if you will do it yourself, will hire a tax professional.
- I will do it myself ___ or hire a tax professional ___.

Step Four: Take Action

Now that you know what tax resolution strategy to implement and who you are going to work with there is only one thing left for you to do. . . Take action!

I am serious. You need to face this head on. If you choose to keep on ignoring those letters you are only adding to your stress. I know this keeps you up at night when everything in the house is quiet except for your mind. Also the IRS will escalate its actions. Remember how I told you the IRS has a set of guidelines it must follow? Well, these guidelines also provide what should the IRS do if you continue to choose to ignore them. Among the things the IRS can do are:

- Place a lien on your property. This means you cannot sell that property before dealing with the IRS. Also, a tax lien negatively affects your credit score.
- Levy your bank account. The bank will freeze your account regardless of whether you may owe the IRS less than what they say.
- Garnish your salary. Not only will you be forced to deal with the IRS then but your employer will find out about this.
- Seize your property. While this is not a commonly taken action by the IRS, it is still available to them.

ACTION PLAN: Don't allow the IRS to get ahead of you. I have given you the knowledge to tackle this tax debt. Aim your slingshot at Goliath and take Action.

