

Payment Options (continued)

Taxpayers may enroll in EFTPS at www.eftps.gov or by completing a form available from EFTPS customer service at (800) 555-4477. Once enrolled in EFTPS, you can pay all your federal taxes electronically using the Internet or phone. You can also make EFTPS payments through your local financial institution.

Installment Agreement

An installment agreement (IA) allows you to pay your debt in smaller, more manageable amounts. Installment agreements generally require equal monthly payments. We base the amount and number of your installment payments on the amount you owe and your ability to pay that amount within the time we can legally collect payments from you.

You should be aware, however, that an installment agreement is more costly than paying all the taxes you owe now. Like revolving credit arrangements, we charge interest on the unpaid portion of the debt. Penalties also continue to accumulate on installment agreements.

Another cost associated with an installment agreement is a user fee. We charge this one-time fee to set up the agreement. If you do not meet the terms of the agreement throughout the life of the agreement, we charge an additional fee to reinstate it.

If you want to pay off your tax debt through an installment agreement, visit www.irs.gov and use the search engine with keywords "installment agreement" or call the number shown on your bill.

If you arrange for an installment agreement, you may use any of the following payment methods:

- Personal or business checks, money orders, or certified funds (payable to the United States Treasury)
- Credit and debit cards
- Payroll deductions your employer takes from your salary and regularly sends to IRS
- Electronic transfers (direct debits) from your bank account or other similar means

Note: We generally cannot take any collection actions affecting your property while we consider your request for an installment agreement, while your agreement is in effect, for 30 days after we reject your request for an agreement or for any period while you appeal the rejection.

Offer in Compromise (OIC)

With an OIC, we can accept less than the full amount you owe when it is doubtful we will be able to collect the entire amount due or if collection action would create an economic hardship. In some cases, we may accept an Offer in Compromise (OIC), to settle an unpaid tax

account, including any penalties and interest. See Form 656, *Offer in Compromise*, and Form 656-L, *Offer in Compromise (Doubt as to Liability)*, which includes necessary forms and instructions. In most cases, there is an application fee and a required initial payment associated with applying for an Offer in Compromise.

Temporarily Delay the Collection Process

If we determine that you can't pay any of your tax debt, we may temporarily delay collection until your financial condition improves. You should know that if we delay collecting from you, your debt will continue to increase until the tax, penalties, and interest are paid in full. During a temporary delay, we will periodically review your ability to pay. We may also file a Notice of Federal Tax Lien, to protect the government's interest in your assets. See Publication 594, *The IRS Collection Process*.

Help with Unresolved Tax Problems and Hardships

The Taxpayer Advocate Service can help you if you tried unsuccessfully to resolve a problem with the IRS. Your local Taxpayer Advocate can offer you special help if you have a significant hardship as a result of a tax problem. For more information, call toll-free 1-877-777-4778 (1-800-829-4059 for TTY/ TDD) or write to the Taxpayer Advocate at the IRS Office that last contacted you.

Frequently Asked Questions

1. How long do I have to file for audit reconsideration?

An audit reconsideration request can be made anytime after an examination assessment has been made on your account and the tax remains unpaid.

2. Where do I send my reconsideration request?

All reconsideration requests are first reviewed in the IRS campuses listed in this publication. Please call one of the toll free numbers for the campus to obtain correct address. If a face to face meeting is necessary the campus will transfer to the office nearest you.

3. Do I need to complete a special form to request audit reconsideration?

The IRS doesn't require you to complete a special form, however, Form 12661, *Disputed Issue Verification*, is recommended to explain the issues you disagree with.

4. How long will it take before I receive an answer to my request?

The IRS strives to timely handle all requests received. You should expect to hear from us regarding your reconsideration request within 30 days after submission.

5. Do I need to send proof with my request for reconsideration?

Yes. In order to have your case reconsidered, documentation must accompany the request.

6. How do I know if the information I submitted is considered?

When the examiners process your request, they will review the documentation that you submitted. If you do not receive an explanation as to why your request doesn't include the documentation you submitted, you may need to resubmit the information.

7. Do I need to resend the information I submitted if I was told it was not submitted?

Under normal circumstances, if you are told that your information was not submitted, you should resend the information. However, if you are told that your information was not submitted because it appears that the information was already submitted, you do not need to resend the information.

If you decide to request a new examination, you must request the address for your Examination Report. If you have already completed your audit is not correct, please see below for the correct address.

Andover Campus

Internal Revenue Service
P.O. Box 9053 Stop 823
Andover, MA 01810-0953
Phone 1-866-897-0177

Atlanta Campus

Internal Revenue Service
P.O. Box 47-421 Stop 54A
Doraville, GA 30362
Phone 1-866-897-0177

Austin Campus

Internal Revenue Service
P.O. Box 934 Stop 4103
Austin, TX 78767
Phone 1-866-897-0177

Brookhaven Campus

Internal Revenue Service
P.O. Box 9005 Stop 611,
Team 406
Holtsville, NY 11742
Phone 1-866-897-0161

Cincinnati Campus

Internal Revenue Service
CIRSC
P.O. Box 308 Stop 8202
Covington, KY 41012
Phone 1-866-897-0161

What You Should Know about the Audit Reconsideration Process

The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

What is Audit Reconsideration?

An Audit Reconsideration is a process used by the Internal Revenue Service to help you when you disagree with the results of an IRS audit of your tax return, or a return created for you by the IRS because you did not file a tax return as authorized by the Internal Revenue Code 6020(b).

Reasons for a Request

You may request audit reconsideration if you:

- Did not appear for your audit
- Moved and did not receive correspondence from the IRS
- Have additional information to present that you did not provide during your original audit
- Disagree with the assessment from the audit

Steps to follow to get Audit Reconsideration

Step 1:

Review the examination report and attachments to determine which items you feel are incorrect. Gather the documentation needed to support your position. Verify that the supporting documentation is new information that has not been presented before and ensure that it is for the tax year in question.

Your reconsideration request will be accepted if:

- You submit information that we have not considered previously.
- You filed a return after the IRS completed a return for you.
- You believe the IRS made a computational or processing error in assessing your tax.
- The liability is unpaid or credits are denied.

Note: If you have paid the amount due in full, you must file a formal claim (Form 1040X, *Amended U.S. Individual Income Tax Return*).

Step 2:

Make photocopies of the documents gathered above and attach to your letter explaining your request for reconsideration. Please ensure that you are clear as to which changes you want us to consider. Form 12661, *Disputed Issue Verification*, is recommended to explain the issues you disagree with. If available, attach a copy of your examination

report, Form 4549, along with the new documentation that supports your position. Include a daytime and evening telephone number and the best time for us to call you.

Please do not send original documents – originals will not be returned.

Note: If you are faxing your documents, please include your identifying information (i.e., your TIN and tax year) on each page you fax. This is to ensure all pages are associated with your case.

The IRS will not accept your audit reconsideration request if:

- You previously agreed to pay the amount of tax you owe by signing an agreement such as a Form 906, Closing Agreement; a Compromise agreement; or an agreement on Form 870-AD with the Appeals office.
- The amount of tax you owe is the result of final partnership item adjustments under TEFRA, Tax Equity Fiscal Responsibility Act.
- The United States Tax Court, or another court, has issued a final determination on your tax liability.

Once your documentation is received

We will send you a letter if we need further information to reconsider your disputed issue(s).

It is in your best interest to provide complete information on each disputed issue. We consider each issue separately based on the new information that you provide. We will change any adjustment if your new information and the tax law support that change.

When we receive your documentation, we may delay our collection activity. However, we may resume collection activity if the documentation is not sufficient to support your position and you do not respond to any requests for additional information within 30 calendar days.

Note: If you currently have an installment agreement, you must continue to make payments. You may want to refer to Publication 1546, *Taxpayer Advocate Service - Your Voice at the IRS*, if you are experiencing economic hardship as a result of a tax problem.

We will notify you once we complete our review to inform you that:

- We accepted your information. If so, we will abate (remove) the tax assessed.
- We accepted your information in part and we will partially reduce the tax assessed.
- Your information did not support your claim and we are unable to eliminate the tax assessed.

If you agree with the results of the reconsideration:

Pay the amount due in full or make other arrangements as outlined in the section titled "Payment Options".

If you disagree with the

- Request an Appeals
- Pay the amount due
- Do nothing. We will s

You have the following

- **The Right to Be Informed**
Taxpayers have the right to receive clear explanations of all tax forms, instructions, and correspondence. The IRS decisions about tax liability include explanations of the reasons for the decision.
- **The Right to Quality Service**
Taxpayers have the right to professional assistance, to be spoken to in a way that is clear and easily understood, and to speak to the IRS, and to speak to the IRS, and to speak to the IRS.
- **The Right to Pay No More Than Legally Due Tax**
Taxpayers have the right to pay no more than the amount legally due, including penalties and interest on tax payments.
- **The Right to Challenge an Assessment**
Taxpayers have the right to challenge an assessment, or proposed actions, through their timely objection process, and to receive a fair hearing with their position.
- **The Right to Appeal to an Independent Forum**
Taxpayers are entitled to appeal most IRS decisions and have the right to appeal to the Office of Appeals. Taxpayers have the right to take their case to court.
- **The Right to Finality**
Taxpayers have the right to know when they have to change the maximum amount of tax they owe for a tax year or collect a tax liability, and to know when the IRS will stop collecting tax.
- **The Right to Privacy**
Taxpayers have the right to privacy in an examination, or enforcement of tax law and be no more than what is required to respect all due process protections and will provide a due process hearing.