



# Commonwealth of Virginia

Department of Taxation

## OFFER IN COMPROMISE INDIVIDUAL REQUEST FOR SETTLEMENT

Name / Address of Taxpayer(s) \_\_\_\_\_

Social Security Number(s) \_\_\_\_\_

TO: TAX COMMISSIONER

I/We submit this offer to settle tax, interest, and penalties for the periods indicated below.

Individual income or fiduciary income for the year(s): \_\_\_\_\_

I/We offer to pay \$ \_\_\_\_\_  Payment attached

If you are unable to enclose the full amount offered, state when the full payment will be received.  
**Example:** within ten (10) days from the date the offer is accepted.

I/We submit this offer for the reason checked below:

- Doubt as to collectibility. My financial statement is attached.
- Doubt as to liability. My detailed explanation is attached.
- Request for waiver of penalty due to reasonable cause. My detailed explanation is attached.

**\*See following page for terms and conditions.**

I/We, the undersigned, declare that I/we have examined this offer, including accompanying schedules and statements, and to the best of my/our knowledge, it is true, accurate, and complete. I/We hereby grant the power of attorney to act for me/us to compromise the above referenced liability(ies) to \_\_\_\_\_. Also, I/we grant authorization to verify any financial data by use of a credit report.

Signature of Taxpayer(s) \_\_\_\_\_ Date: \_\_\_\_\_

Daytime Phone: \_\_\_\_\_

Signature of Taxpayer's Representative \_\_\_\_\_ Date: \_\_\_\_\_

Daytime Phone: \_\_\_\_\_

## OFFER IN COMPROMISE – TERMS AND CONDITIONS

Section 58.1-105 of the *Code of Virginia* allows the Tax Commissioner to compromise and settle doubtful or disputed claims for taxes or tax liability of doubtful collectibility. The Department of Taxation will consider Offer in Compromise under the following circumstances:

- Doubtful Collectibility:** You cannot pay the bill. You must submit a current financial statement with the Offer in Compromise request form.
- Doubtful Liability:** You question office audit procedures and/or an established tax law. You must provide a detailed explanation with the Offer in Compromise request form.
- Request for Waiver of Penalty:** Extenuating circumstances caused late filing or late payment. You must submit a detailed explanation with the Offer in Compromise request form. The department will consider waiver for penalties only due to reasonable cause. Taxes and/or interest can be waived in cases of **doubtful collectibility**.

**DO NOT FILE AN OFFER IN COMPROMISE IF YOUR BILL IS INCORRECT. To protest the bill, contact the Office of Customer Service at:  
(804) 367-8031 or  
P.O. Box 1115, Richmond, VA 23218-1115.**

- ❖ In submitting an Offer in Compromise, you must complete the **Offer in Compromise Individual Request for Settlement** form and attach supporting documents to validate your case. Mail the completed form and attachments to the address below. Make checks payable to *Virginia Department of Taxation*. If help is needed to complete the form, and the offer is based on doubtful collectibility, call (804) 367-8045. If the offer is based on doubtful liability or a request for penalty waiver, call (804) 367-8031.
- ❖ If you have both individual and business bills to settle, submit an offer for all outstanding individual or fiduciary income tax accounts. Submit a separate Offer in Compromise – Business Request for Settlement form for business taxes.
- ❖ You are not required to make a payment when the offer is submitted. Clearly indicate on the Offer in Compromise Request form when the Department will receive payment. If a check is submitted with the offer it will be deposited upon receipt. The check's deposit does not mean that the offer is accepted.
- ❖ Your Offer in Compromise will be reviewed. If accepted, a letter will be sent to outline the terms and conditions for payment. If the terms outlined are not met the acceptance becomes void. If the offer is not accepted, a letter of denial and/or subsequent terms for settlement of your account will be sent. You may resubmit the Offer in Compromise providing there is new or additional information.
- ❖ Your attorney, tax preparer, or other representative can submit an Offer in Compromise request form in your behalf. Both you and your representative must sign the submitted form.

**Mail the completed form and attachments to:**

Tax Commissioner  
Virginia Department of Taxation Attn: CICT  
P.O. Box 2475  
Richmond, VA 23218-2475

***The Department of Taxation may accept, amend, or deny an Offer in Compromise based on facts presented.***

# FINANCIAL INFORMATION STATEMENT

## SECTION I PERSONAL INFORMATION (complete all blocks)

1. Taxpayer(s) Name(s) and Address:	2a) Taxpayer's Social Security #:	3. Home Phone #: (____)_____	4. Taxpayer Daytime Phone # (____)_____
	2b) Birth date: _____	Best time to contact: _____	(____)_____
	2c) Spouse's Social Security #:	5a) # of Dependents: (____)	6. Spouse's Daytime Phone # (____)_____
	2d) Birth date: _____	5b) Ages: _____	(____)_____

## SECTION II EMPLOYMENT INFORMATION

7. Name and Address of Taxpayer's Employer:	8a) (check as appropriate): Owner      Commissioned Partner Salaried    Hourly	9a) Other Income: (explain) (examples are part time, social security, unemployment, etc.):
	8b) Annual GROSS Income:	9b) Other monthly income amount:
10. Name and Address of Spouse's Employer:	11a) (check as appropriate): Owner      Commissioned Partner Salaried    Hourly	12a) Other Income: (explain) (examples are part time, social security, unemployment, etc.):
	11b) Annual GROSS Income:	12b) Other monthly income amount:

## SECTION III GENERAL FINANCIAL INFORMATION

13. BANK ACCOUNTS: ASSETS (includes checking, saving, IRA, Certificates of Deposit, other investments, etc)

Name of Institution:	Address:	Type of Account:	Account Number:	Balance:

14. BANK ACCOUNTS: LIABILITIES (Includes mortgages, automobiles, charge and credit cards, line of credit, etc.)

Name of Institution:	Address:	Type of Account:	Account Number:	Monthly Payment:	Balance:

**(Attach additional sheets, if necessary)**

**SECTION IV**

**GENERAL FINANCIAL INFORMATION**

(Continued)

15. LIST AUTOMOBILES OWNED: (include boats, trailers, recreational vehicles, etc.)

Vehicle 1			Vehicle 2		
Year, make, model	Estimated value:	Balance owed:	Year, make, model	Estimated value:	Balance owed:

16. LIST REAL PROPERTY:

Brief description:	Address:	Estimated value:	Balance owed:
Brief description:	Address:	Estimated value:	Balance owed:

17. PLEASE ATTACH A STATEMENT IF ANY OF THE INFORMATION BELOW PERTAINS TO YOU:

- a) Bankruptcy
- b) Repossession
- c) Participation in profit sharing, estates, etc.
- d) Court proceedings
- e) Recent federal tax audits
- f) Sale of stocks, bonds, etc.

**SECTION V**

**MONTHLY INCOME AND EXPENSE STATEMENT**

18. INCOME	NET INCOME	19. EXPENSES	MONTHLY PAYMENT
Taxpayer - Net Wages/Salaries:		Mortgage      Rent (CHECK ONE)	
Spouse - Net Wages/Salaries:		Secondary Mortgage Payment:	
Interest Income:		Bank Cards: (Credit Cards)	
Pension Income:		Department Store Cards/Payments:	
Child Support Income:		Installment Loans:      Automobile:	
Alimony Income:		Automobile:	
Rental Income:		Other: _____	
Business Income:		Other: _____	
Distributions:		Groceries:	
Other:		Utilities: Phone, Gas, Electric, Water	
		Child Support Payments:	
		Insurances: Life, Health, Home, Auto	
		Court Ordered Payments:	
		Transportation:	
		Tax Payments:      IRS Payment Plan:	
		Current Yr Federal Estimated Payments:	
		Current Yr Virginia Estimated Payments:	
		Other:	
		Other Expenses: (list and explain)	
<b>TOTAL MONTHLY INCOME:</b>	\$	<b>TOTAL MONTHLY EXPENSES:</b>	\$

**CERTIFICATION: Under penalties of perjury, I (we) declare that to the best of my (our) knowledge and belief, this statement of assets, liabilities and other information is true, correct and complete.**

20. Taxpayer's Signature:	21. Spouse's Signature:	Date:
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