

Types of IAs	Guaranteed (IMF Only)	Streamlined	Streamlined (2)	IBTF Express	IBTF Express (2)	IBTF	Routine	Partial Payment
Amount	\$10,000 or less	\$25,000 or less	\$25,001 - \$50,000	\$10,000 or less	\$10,001 - \$25,000	Any Amount	Any Amount	Any Amount
Type of Tax	IMF Income Tax Only	IMF, BMF Income , OOB BMF	IMF, OOB Sole Proprietor	BMF Trust Fund	BMF Trust Fund	BMF Trust Fund	IMF, BMF Income, BMF OOB	Any
Payment Terms	Full pay in 3 years including accruals	Greater of UBA divided by 72 or full pay by CSED, whichever is earlier	Greater of UBA divided by 72 or full pay by CSED, whichever is earlier	Full Pay in 24 months including accruals	Full Pay in 24 months including accruals	Full Pay by CSED	Full Pay by CSED	None (Determine if CSED extension is appropriate)
CIS Required	No	No	No*	No	No	Yes**	Yes	Yes, Financial Review every 2 years
NFTL Determination Required	No	No	No	No	No	Yes	Yes	Yes
TFRP Determination	NA	No	No	No, but protect ASED****	No, but protect ASED****	Yes	Yes, If applicable	Yes, If applicable
DDIA Required	No	No	Yes	No	Yes	No	No	Yes if IA default in past 24 months
Extend CSED?	No	No	No	No	No	No	No	Up to 5 years plus 1 year if appropriate when an asset will come into possession of a taxpayer after the CSED expires
Must View Assets	No	No	No	No	No	Yes	Yes	Yes
Managerial Approval	No	No	No	Yes	Yes	Yes	Yes	Yes
Reference	IRM 5.14.5.3	IRM 5.14.5.2	IRM 5.14.5.2	IRM 5.14.5.4	IRM 5.14.5.4	IRM 5.14.7	IRM 5.14.9	IRM 5.14.2

\* Verification of ability to pay using SLIAC/CIS is not required unless the taxpayer has defaulted an IA for missed payments in the past 12 months

\*\* Verification is not required for IBTF IAs up to \$25,000 that will full pay within 60 months, see IRM 5.14.7.4(6)

\*\*\*\* Outstanding liabilities only include current and prior year liabilities and the IA will full pay all liabilities within 24 months

To identify accounts as a Pending IA, the taxpayer must:

Provide sufficient information to identify the taxpayer

Identify the liability to be covered by the IA

Propose a monthly or other periodic payment of a specified amount

Be in compliance with all filing requirements

If the taxpayer is identified as a BMF pyramider, must be in compliance with all FTD requirements

Not be in bankruptcy (unless eligible for guaranteed IA for post-petition liabilities)

Provide for the full payment of the liability by the CSED date in the case of a Restitution Based Assessment

**Short-term payment plan:** The IRS offers additional time (up to 180 days) to pay your balance in full. It's not a formal payment plan, so there's no application and no fee, but interest and any applicable penalties continue to accrue until the tax debt is paid in full. You can request a short-term payment plan by phone, mail, in-person, or online.

## Six-Year Rule and One-Year Rule 5.14.1.4.1 (03-31-2023)

**Six-Year Rule:** When a taxpayer is unable to full pay immediately and does not qualify for a streamlined IA, the taxpayer may still qualify for the six-year rule.

Taxpayers are required to provide financial information in these cases, but are not required to provide substantiation of reasonable expenses. All expenses may be allowed if: the taxpayer establishes that they can stay current with all paying and filing requirements, the tax liability, including projected accruals, can be fully paid within six years and within the CSED, and the expense amounts are reasonable. Do not automatically allow agreements based on the six year maximum if expenses are unreasonable.

**Reminder:** The Six-Year Rule is not applicable to corporations, partnerships, LLCs (where the LLC is identified as the liable taxpayer), or any business expenses. The Six-Year Rule is also not applicable for Business Master File (BMF) liabilities owed by in-business sole proprietors or LLCs, where the individual owner is identified as the liable taxpayer.

**Caution:** An IA established under the Six-Year Rule is an NSIA (Non-Streamlined Installment Agreement). As such, a complete financial analysis must be done prior to establishing the IA, and equity in assets must be addressed in accordance with IRM 5.15.1.3, Analyzing Financial Information.

**One-Year Rule:** Taxpayers who cannot full pay their accounts within six years may be given up to one year to modify or eliminate excessive necessary expenses. In some cases, by modifying or eliminating some conditional expenses, a taxpayer may be able to full pay the liability plus accruals within the six year limit. This would enable a taxpayer to retain some conditional expenses under the Six-Year rule. The taxpayer does not have to qualify for the Six-Year rule in order to apply the One-Year rule.

**Reminder:** The One-Year Rule is not applicable to corporations, partnerships, LLCs (where the LLC is identified as the liable taxpayer), or any business expenses. The One-Year Rule is also not applicable for BMF liabilities owed by in-business sole proprietors or LLCs, where the individual owner is identified as the liable taxpayer.