

One of the many questions your [Detroit Bankruptcy Lawyers](#) gets asked is, can I get rid of income taxes in bankruptcy? The short answer is, it depends. There are requirements that first must be met before your tax debt can be discharged in a [Chapter 7](#) or a [Chapter 13](#). If these requirements are met, then your tax debt can be discharged.

Requirement 1: The income tax return must have last been due more than three years before the bankruptcy

The income tax return must have last been due more than three years before the bankruptcy, including all extensions. That means if your tax return was due 12/31/2007, then your income tax debt cannot be dischargeable until 1/1/2011. This three year rule also includes any extensions filed.

Requirement 2: You need to have filed your tax return more than two years before filing your bankruptcy petition

You need to have filed your tax return more than two years before filing your bankruptcy petition. This means if you filed your tax return for 2007 yesterday, then file your bankruptcy petition today, the tax debt will not be discharged. The return must have been filed more than two years before the filing of your bankruptcy petition.

Requirement 3: The IRS must have assessed your tax due more than 240 days before filing your bankruptcy petition

The IRS must have assessed your tax due more than 240 days before your petition is filed. The IRS assessment is simply an internal bookkeeping entry made by the IRS, acknowledging that overdue taxes. You can easily find out if the taxes has been assessed by ordering a tax transcript from the IRS, but in most cases you would have received a notice of tax due by the IRS. There are additional requirements if an offer in compromise is pending.

Requirement 4: The tax return must not have been fraudulent

The tax return must not have been made fraudulently. This means if you intentionally filed a fraudulent return, then the tax debt cannot be discharged.

Requirement 5: You must not have intentionally evaded paying the tax

You must not have intentionally evaded paying the tax. You must be able to show you genuinely could not afford to pay the tax, and just aren't skipping out on paying.

These five requirements are must be met before your income tax debt can be discharged in a [Chapter 7](#) or a [Chapter 13](#). If you meet them, then your personal income tax debt can be discharged.

It is possible to get rid of your income taxes in bankruptcy and your [Detroit Bankruptcy Lawyers](#) can show you how. call us today for a free consultation at (586) 439-4297, extension 0, and we can show you how you can discharge your income tax debt through bankruptcy. We will analyze your financial situation and give you our advice on your financial situation. If bankruptcy is not an option for you, or bankruptcy is not right for you, we will tell you. It is a firm belief to never put anyone in bankruptcy unless it is absolutely necessary for them to be there.