



April 12, 2010

## IRS to the Rescue

If you are worried about how to fulfill your tax obligations, you might get some help from an unlikely source that may surprise you – the IRS itself. Under some new guidelines issued last Tuesday, the IRS is willing to give some leeway to struggling taxpayers who qualify. In essence, these guidelines apply to those classified as hardship cases or those who have lost their jobs, endured a serious illness that hampers earnings etc.

More specifically, these guidelines state that:

1. If you make an Offer in Compromise application, the IRS will now take into consideration your present income giving you greater flexibility in settling your taxes for less than the full amount, which essentially what an Offer in Compromise is. To calculate how much you can pay towards your tax debts, the IRS can also include your anticipated future income, net of some amounts allowed for basic living expenses. If the IRS figures that your income is likely to increase in future (due to finding a new job or improvement in your financial situation), they will probably require that you come up with more money when that happens.

Additionally, your ability to pay will be evaluated based on the value of your assets, such as real estate property, vehicles, bank accounts and other property.

Usually the IRS will not entertain an Offer in Compromise submission if they believe that you have the means to repay your tax debt in full either in one lump sum or in installment payments. In addition, if you have only recently been laid off, your chances of being approved for an Offer in Compromise is less.

2. If you have suffered some form of hardship, the IRS is likely to make some postponement to your deadline to pay your tax debt. They will also be more flexible in their stand if you missed some of your installment payments and be more lenient in accepting applications for Offers in Compromise if you have gone through hardships.

Furthermore, if your Offer in Compromise case involves a valuation of your property that may not have been done accurately, the IRS will accept a re-evaluation of the value of your home by another valuer.

3. The IRS will organize open house sessions on 4 Saturdays to give you more opportunities to work out your tax situation with them. The first open house will be held on March 27 when the

IRS offices will be opened to entertain the taxpaying public. There will be three additional Saturdays after that during the spring and summer at dates, locations and times to be announced.

Alternatively, you could talk to the IRS at regularly scheduled hours at your local Taxpayer Assistance Centers. Visit the IRS website at [www.irs.gov](http://www.irs.gov) and go to the 'Contact My Local Office' page.

Darrin T. Mish is a veteran, nationally recognized tax attorney who has focused on providing IRS help to taxpayers for over a decade. He regularly travels the country training other attorneys, CPAs and enrolled agents on how to handle their toughest cases with the IRS. He is highly ranked among the top attorneys in the country, with an AV rating from Martindale-Hubbell and a perfect 10 on Avvo.com. Martindale-Hubbell has also honored him with a listing in their Bar Register of Preeminent Lawyers. He is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. With clients on every continent but Antarctica, he has what it takes to solve your IRS problems no matter where you live in the world. If you would like more information about his practice and how he can help you, please call his office at (813) 229-7100 or toll free at 1-888-GET-MISH.