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# What to Know When You Owe SB/SE Collection



# Objective

- At the end of this learning experience, you will be able to explain to your clients the consequences of Collection non-compliance, options for resolving a collection case, and when a collection information statement is required to be submitted to the IRS.



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# Topics

- Consequences of filing/paying late
- Financial analysis – the collection determination
- Payment alternatives



# Consequences of Filing and Paying Late - Individuals

- Penalties and interest
- Notice of Federal Tax Lien
- Enforcement action



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# Consequences of Filing and Paying Late - Businesses

- Additional penalties
- Trust Fund Recovery Penalty
- Notice of Federal Tax Lien
- Enforcement action



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# Streamlined Installment Agreements (SIA)

- Individuals
- Businesses

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# SIA - Advantages

No –

- Financial information
- Managerial approval
- Notice of tax lien
  - If you act quickly
- Enforcement action



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# On-line Payment Agreement (OPA) Tool

- Taxpayers meeting SIA criteria qualify
- Completely automated process
- Short-term plans can also be established
  - Up to 120 days (no IA user fee)
- Go to Payments tab on [irs.gov](https://www.irs.gov)



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# Beyond Streamlined IAs

- Financial information required
  - Collection Information Statement (CIS)
- Form 433-F CIS
- Form 433-A CIS for Wage Earners and Self-Employed Individuals
- Form 433-B CIS for Businesses



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# Beyond Streamlined IAs

- Collection determination
- Notice of Federal Tax Lien filing likely
- Appeals' Judicial Approach and Culture



# Other Payment Alternatives

- Borrowing
- Asset sale
- Installment agreement (not streamlined)
- Offer in Compromise
- Temporary delay



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# Selling or Refinancing When There's a Lien

- Will sale or refinance full pay?
- Yes – Request payoff letter
  - 800-913-6050
- No – Request lien discharge or subordination

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Hot Topics on IRS.gov	Search Word(s)
Affordable Care Act	ACA
Annual Filing Season Program	Filing season program
Continuing education for tax pros	tax pros
E-Services – online tax tools	eservice
Identity theft	ID theft
Practitioner events on IRS.gov	Practitioner events
Tangible Property Regulations	Tangible
Third party reporting information center	Third party
SB/SE Tax Calendar	Tax calendar