

**From the desk of
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Installment Plan Request

The Internal Revenue Service, and other taxing authorities will work out installment agreements with individuals, and business entities that cannot meet prior tax obligations.

For a taxpayer to be eligible to enter into an installment agreement the taxpayer must meet all current and ongoing tax liabilities while in an installment payment arrangement.

There are six criteria that must be met to obtain, and continue in an installment plan with the IRS, and most other taxing authorities, those being:

1. The taxpayer files any outstanding tax returns.

You may not negotiate or enter into an installment agreement unless all tax returns have been filed.

2. The taxpayer makes all current tax deposits.

You cannot negotiate the balance of taxes owed are not making current tax deposits.

3. If the taxpayer is a business then a completed Form 433-B, Collection Information Statement for Businesses must be submitted. If the taxpayer is an individual, Federal Form 433-F must be submitted.

This financial information form is required to negotiate a payment arrangement to satisfy any delinquent taxes.

4. Documents to support the entries made on either Form 433-B or Form 433-F must be submitted to verify the claims made on those disclosure forms.

You must support your income and expenses with documentation proving that the statements made are accurate.

5. The taxpayer provides the financial information to the IRS agent working on the case and requests an installment agreement in writing.

The installment agreement request must state the amount per month you intend to pay, the date the payments will begin and the tax periods the installment agreement covers.

6. The taxpayer complies with any deadlines set by the IRS to provide additional documents or information.

Failure to do so may result in a liens, and levies against your bank accounts or other assets.

Once an installment agreement has been approved and in place, all agreements, and payments that are agreed to must be met timely, and on time, otherwise any installment arrangement is immediately void and nullified, and the process will necessarily need to be started over again if the agreements, and payments are not met timely. The IRS, and many other taxing authorities do not allow a grace period for receiving payments under an installment arrangement.

Many taxing authorities such as California's Franchise Tax Board require that any installment arrangement be made by direct charge (debit) to your banking account.

We here at Muffoletto & Company believe that the more informed you are in regards to the rules and regulations that affect you the more we can be of service.

**Should you have questions relating to any tax or financial matters call at
(818) 346-2160,
or you can visit us on the web at
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