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## 6 Proven Ways to Reduce and Resolve Your IRS Tax Dispute

If you owe money to the IRS (or at least they claim you do) you will undoubtedly want to find the best ways to reduce the total amount owed, eliminate the debt, or at least get it paid off as quickly as possible. While nobody ever wants to be in this type of situation, it can be comforting to know that the IRS does have a wide range of different payment options, deferments, appeals programs and more to help you to resolve this potential difficult situation.

Of course, in order to take advantage of all these options you will need to not only know that they exist, but also how to properly apply for them to ensure you qualify. To put yourself in the best possible situation with the IRS it is always a good idea to have a qualified tax attorney available to help you out.

To help you get started and empower you to take action against any future IRS tax issues, we have put together a list of six of the best options that may be available to you to resolve your tax disputes. Most taxpayers will be able to take advantage of one or more of these ways to mitigate and resolve their tax disputes so take some time to read them now and see which options will work the best for you.

### **Currently Not Collectible Program**

Of all the IRS programs on the books today, this is one of the most flexible and helpful available. The currently not collectible program is set up specifically for people who are in a difficult financial position that makes it extremely difficult or impossible to make payments on a debt owed to the IRS.

The program is very flexible in how you qualify, which means even those who don't think they will qualify can often be accepted. In order to enter this program it must be shown that, with your current income levels it would cause a hardship and so be difficult or impossible to even make regularly scheduled payments on the debt, much less pay it all.

The financial difficulty could be caused by a change in work status, an illness, other expenses or any number of other situations. Once you are approved for this program all debt collection efforts will stop. The IRS will simply review your financial situation periodically to see when you are able to begin making payments on the debt again.

This is a great program to help give you the extra time you need to get in a financial position where you can more easily pay the money you owe.

## **Offer in Compromise**

This option will help you to clear the debt much more quickly than would otherwise be possible, and often for significantly less than you originally owed. An offer in compromise is when you propose an amount that is less than the total amount owed. If the IRS accepts the offer, you can pay that amount and it will be accepted to completely settle the debt.

The IRS typically only considers this program when you are experiencing a serious, long term financial difficulty. This, however, is often vague enough to be able to qualify even if you didn't think it would be possible. You can also be accepted if you are able to show the IRS that full payment would result in a significant financial hardship.

One of the most important things about an offer in compromise is coming up with a reasonable offer. The offer must be an amount that you will be able to pay, but also that the IRS will likely accept. This can be a difficult balancing act, but an experienced tax attorney can guide you and help you make an informed and reasonable offer.

## **Appeal an IRS Decision**

Despite what the IRS would have you believe, their decisions in many matters are not final. If the IRS has made a decision that you owe a certain amount, you are usually able to file an appeal. The appeals process will be handled by a separate IRS office that has not yet been involved with your case to review it to see if the debt is valid.

During this process you (or your tax attorney) can present your arguments why you believe that the original decision was incorrect and should be reversed. Some taxpayers have the potential to get their total tax burden dramatically reduced or even eliminated by appealing an existing IRS decision.

## **Set Up a Payment Program**

Most tax debts will allow you to make set payments each month over a period of time. While this is often better than having to pay a lump sum, it isn't always easy or even possible. If you are unable to pay the monthly amount that the IRS is demanding, you may be able to propose an alternative payment amount.

If you can show that the monthly payment they are asking for will cause a significant financial hardship, they will often accept a lower amount each month. While it may take quite some time to get the total amount paid off, you will at least halt all collection efforts.

## **Apply for an Extension to Pay**

For many taxpayers having a little more time to come up with the money is all that is needed. Unfortunately, if you simply ignore the collection efforts you could end up

owing significantly more by the time you are ready to pay. This is due to interest, late payment penalties, collections fees and more. Rather than simply ignoring the IRS while putting the money together, you can apply for a short-term extension to pay. This typically allows you up to 120 days to pay.

This is a program for which most people can qualify. It is easy to apply and doesn't cost a thing, so if you don't yet have the money you need to pay an IRS tax debt, this is an excellent place to begin.

### **File Late or Amended Tax Returns**

There are many situations where a tax debt is caused by failure to file tax returns or else filing them improperly. When this is the case you can often have the debt eliminated by simply filing the returns late, or else amending them to correct any errors. There is also the potential to receive an extension to file, though this does not extend the date your tax payment is actually due.

When filing late or amending a tax return, however, you need to make sure that you get everything done correctly to help avoid problems down the road. This is why it is always advisable to have the assistance of a tax attorney when filing any late tax returns or amending returns from prior years.

### **Get the Help You Need**

Anytime you are having a tax dispute with the IRS it can be quite stressful. Having a tax attorney on your side will not only help ensure you are making the best possible decisions, but also take all the burden off of your shoulders. This can help you to live your life focusing on the most important things while a skilled attorney is fighting the IRS on your behalf.

If you are facing IRS tax disputes, you do not have to go it alone. Contact the law office of Robert V. Boeshaar and let us fight to resolve your dispute under the most equitable and beneficial terms possible.

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