



Collection Information Statement (CIS)

Forms 433-A, B, D, F & H
Which Form for What Case?



At the end of this presentation, you will be able to explain to clients

- Available options for resolving tax debt without a collection information statement
- Streamlined Installment Agreements
 - Individuals
 - Businesses
- Differences in the types of Collection Information Statements
- Recent updates to the Collection Information Statement



Streamlined Installment Agreement Criteria for Individuals

- Balance: Up to \$50,000 or less in combined tax, penalties and interest
- Payment Terms: Up to 72 months – or – the number of months necessary to satisfy the liability in full by the Collection Statute Expiration date, whichever is less
- Collection Information Statement: Not required
- Payment Method: Preferred method is either direct debit (DDIA) or payroll deduction (PDIA) installment agreement
 - Applications through Online Payment Agreement (OPA) and balance is above \$25,000 – DDIA is required
- Filing Requirement: Filed all required tax returns
- Notice of Federal Tax Lien: Generally not required. However, if the balance above \$25,000 and agreement not established in OPA, then a NFTL determination will be made if payment is not through DDIA or PDIA



Streamlined Installment Agreement Criteria for Businesses

In Business Trust Fund Express

- Balance: Up to \$25,000 or less in combined tax, penalties and interest
- Payment Terms: Up to 24 months – or – the number of months necessary to satisfy the liability in full by the Collection Statute Expiration date, whichever is less
- Collection Information Statement: Not required
- Payment Method: Preferred method is direct debit installment agreement (DDIA). DDIA is required for balances between \$10,000 and \$25,000
- Filing Requirement: Filed all required tax returns
- Notice of Federal Tax Lien: Determination generally not required



Online Payment Agreement (OPA)

Both Individual and Business Streamlined Installment Agreements can be requested using Online Payment Agreement

The screenshot shows the IRS website's 'Apply Online for a Payment Plan' page. The top navigation bar includes 'File', 'Pay', 'Refunds', 'Credits & Deductions', and 'Forms & Instructions'. A search bar is located on the right. The main heading is 'Apply Online for a Payment Plan'. Below this, there are links for various languages: English, Español, 中文(简体), 中文(繁體), 한국어, Русский, Tiếng Việt, and Kreyòl ayisyen. A left sidebar contains a menu with items like 'Bank Account (Direct Pay)', 'Pay by Debit or Credit Card', 'Payment Plan' (highlighted), 'Deposit Taxes', 'View Your Account', 'Penalties', 'Tax Withholding', 'Understand Your IRS Notice', 'Foreign Electronic Payments', and 'Payment of User Fees (IVES, Historic Easement, U.S. Residency)'. The main content area explains that qualified taxpayers can apply for a payment plan online and receive immediate notification of approval. It lists five questions with expandable answers: 'Do you qualify?', 'What do you need to apply for a payment plan?', 'What does it cost?', 'How do I review or revise an existing plan?', and 'Power of Attorney (POA) for an Individual'. Two buttons are provided: 'Apply/Revise as Individual' and 'Apply/Revise as Individual POA'. Below this is the 'Business Payment Plan' section. On the right, there are two boxes: 'More Information' with links to 'Answers to common questions', a podcast 'Owe Taxes But Can't Pay?', and a video 'Avoid Interest and Penalty Charges'; and 'System Availability' which lists hours for Monday to Friday (6 a.m. to 12:30 a.m. ET), Saturday (6 a.m. to 10 p.m. ET), and Sunday (6 p.m. to 12:00 a.m. ET), along with a note that the system is only available during these times.



Collection Information Statements

- [Form 433-F](#), Collection Information Statement
- [Form 433-H](#), Installment Agreement Request and Collection Information Statement
- [Form 433-A](#), The Collection Information Statement for Wage Earners and the Self-Employed
- [Form 433-B](#), Collection Information Statement for Businesses



Differences in Types of Collection Information Statements

Form 433-F, CIS

- Simple two-page form – Easy to complete
- Used primarily by the Automated Collection System (ACS) employees
- Used to secure financial information for wage earners and self-employed individuals
- Taxpayers unable to pay through a Guaranteed or Streamlined Installment Agreement – IRS may require them to complete this form
- Can be used when applying for Partial Payment Installment Agreements or uncollectible status when corresponding with ACS employees



Differences in Types of Collection Information Statements

Form 433-F, CIS

- Revenue Officers (ROs) may use the Form 433-F:
 - For Trust Fund Recovery Penalty (TFRP) investigations when individual is a wage earner and the potential TFRP is less than \$100,000
 - For self-employed and individual wage earners who owe *individual tax liabilities only*, with an aggregate balance of assessments less than \$250,000

Department of the Treasury - Internal Revenue Service
Form 433-F (January 2017) Collection Information Statement

Name(s) and Address _____ Your Social Security Number or Individual Taxpayer Identification Number _____
 _____ Your Spouse's Social Security Number or Individual Taxpayer Identification Number _____

If address provided above is different than last return filed, please check here _____ Your Telephone Numbers _____ Spouse's Telephone Numbers _____
 Home: _____ Work: _____ Home: _____ Work: _____
 County of Residence _____ Cell: _____ Cell: _____

Enter the number of people in the household who can be claimed on this year's tax return including you and your spouse. Under 65 _____ 65 and Over _____
 If you or your spouse are self employed or have self employment income, provide the following information:

Name of Business	Business EIN	Type of Business	Number of Employees (per counting owned)

A. ACCOUNTS / LINES OF CREDIT Include checking, online, mobile (e.g., PayPal) and savings accounts, Certificates of Deposit, Trusts, Individual Retirement Accounts (IRAs), Keogh Plans, Simplified Employee Pensions, 401(k) Plans, Profit Sharing Plans, Mutual Funds, Stocks, Bonds and other investments. If applicable, include business accounts. (Use additional sheets if necessary.)

Name and Address of Institution	Account Number	Type of Account	Current Balance/Value	Check if Business Account
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

B. REAL ESTATE Include home, vacation property, timeshares, vacant land and other real estate. (Use additional sheets if necessary.)

Description/Location/County	Monthly Payment(s)	Financing		Current Value	Balance Owed	Equity
		Year Purchased	Purchase Price			
<input type="checkbox"/> Primary Residence <input type="checkbox"/> Other		Year Purchased	Purchase Price			
		Year Refinanced	Refinance Amount			
<input type="checkbox"/> Primary Residence <input type="checkbox"/> Other		Year Purchased	Purchase Price			
		Year Refinanced	Refinance Amount			

C. OTHER ASSETS Include cars, boats, recreational vehicles, whole life policies, etc. Include make, model and year of vehicles and name of Life Insurance company in Description. If applicable, include business assets such as tools, equipment, inventory, etc. (Use additional sheets if necessary.)

Description	Monthly Payment	Year Purchased	Final Payment (month)	Current Value	Balance Owed	Equity
			/			
			/			
			/			
			/			

D. CREDIT CARDS (Visa, MasterCard, American Express, Department Stores, etc.)

Type	Credit Limit	Balance Owed	Minimum Monthly Payment

TURN PAGE TO CONTINUE

Catalog Number 62053J www.irs.gov Form 433-F (Rev. 1-2017)



Differences in Types of Collection Information Statements

Form 433-A, CIS for Wage Earner and Self-Employed Individuals

- Used for cases not resolved with Accounts Management (AM) or ACS
- Used to secure financial information for wage earners and self-employed individuals and/or business taxpayers
- Used primarily by field revenue officers on complex cases
- Should not reflect information older than the prior six months – update information older than 12 months
- [Pub 1854](#) – Instructions on how to prepare form 433-A

Form 433-A
May 2020
Department of the Treasury
Internal Revenue Service

Collection Information Statement for Wage Earners and Self-Employed Individuals

Wage Earners Complete Sections 1, 2, 3, 4, and 5 including the signature line on page 4. Answer all questions or write N/A if the question is not applicable.
Self-Employed Individuals Complete Sections 1, 3, 4, 5, 6 and 7 and the signature line on page 4. Answer all questions or write N/A if the question is not applicable.
For Additional Information, refer to Publication 1854, "How To Prepare a Collection Information Statement."
Include attachments if additional space is needed to respond completely to any question.

Name on Internal Revenue Service (IRS) Account: _____ SSN or TIN on IRS Account: _____ Employer Identification Number (EIN): _____

Section 1: Personal Information

1a Full Name of Taxpayer and Spouse (if applicable) _____ 1c Home Phone () _____ 1d Cell Phone () _____
1b Address (Street, City, State, ZIP code) (County of Residence) _____ 1e Business Phone () _____ 1f Business Cell Phone () _____
2a Marital Status: Married Unmarried (Single, Divorced, Widowed) _____ 2b Name, Age, and Relationship of persons in household or claimed as a dependent(s) _____
3a Taxpayer's SSN or TIN _____ Date of Birth (mm/dd/yyyy) _____ Driver's License Number and State _____
3b Spouse's _____

Section 2: Employment Information for Wage Earners
If you or your spouse have self-employment income, interest or, or in addition to wage income, complete business information in Sections 6 and 7.

4a Taxpayer's Employer Name _____ 4b Address (Street, City, State, and ZIP code) _____
4c Work Telephone Number () _____ 4d Does employer allow contact at work? Yes No _____
4e How long with this employer (years) (months) _____ 4f Occupation _____
4g Number of withholding allowances claimed on Form W-4 _____ 4h Pay Period: Weekly Bi-weekly Monthly Other _____
5a Spouse's Employer Name _____ 5b Address (Street, City, State, and ZIP code) _____
5c Work Telephone Number () _____ 5d Does employer allow contact at work? Yes No _____
5e How long with this employer (years) (months) _____ 5f Occupation _____
5g Number of withholding allowances claimed on Form W-4 _____ 5h Pay Period: Weekly Bi-weekly Monthly Other _____

Section 3: Other Financial Information (Attach copies of applicable documentation)

6 Are you a party to a lawsuit? (If yes, answer the following) Yes No
 Plaintiff Defendant Location of Filing _____ Represented by _____ Docket/Case No. _____
Amount of Suit \$ _____ Possible Completion Date (mm/dd/yyyy) _____ Subject of Suit _____

7 Have you ever filed bankruptcy? (If yes, answer the following) Yes No
Date Filed (mm/dd/yyyy) _____ Date Discharged (mm/dd/yyyy) _____ Date Discharged (mm/dd/yyyy) _____ Petition No. _____ Location Filed _____

8 In the past 10 years, have you lived outside of the U.S. for 6 months or longer? (If yes, answer the following) Yes No
Dates lived abroad: from (mm/dd/yyyy) _____ to (mm/dd/yyyy) _____

9a Are you the beneficiary of a trust, estate, or life insurance policy? (If yes, answer the following) Yes No
Place where recorded: _____ EIN: _____
Name of the trust, estate, or policy _____ Anticipated amount to be received \$ _____ When will the amount be received _____

9b Are you a trustee, fiduciary, or contributor of a trust? Yes No
Name of the trust: _____ EIN: _____

10 Do you have a safe deposit box (business or personal)? (If yes, answer the following) Yes No
Location (Name, address and box number(s)) _____ Contents _____ Value \$ _____

11 In the past 10 years, have you transferred any assets for less than their full value? (If yes, answer the following) Yes No
List Asset(s) _____ Value at Time of Transfer \$ _____ Date Transferred (mm/dd/yyyy) _____ To Whom or Where was it Transferred _____

Catalog Number 20512N www.irs.gov Form **433-A** (Rev. 5-2020)



Differences in Types of Collection Information Statements

Form 433-B, CIS for Business

- Used if case is not resolved with AM or ACS
- Used to secure financial information on business taxpayers
- Used primarily by field ROs on complex cases
- Should not reflect information older than the prior six months – update information older than 12 months
- Publication 5059 – Instructions on how to prepare form 433-B
- Attach income statement and balance sheet as a substitute for income and expense section of the CIS for businesses

Form **433-B**
(February 2019)
Department of the Treasury
Internal Revenue Service

Collection Information Statement for Businesses

Note: Complete all entry spaces with the current data available or "N/A" (not applicable). Failure to complete all entry spaces may result in your request or significant delay in account resolution. Include attachments if additional space is needed to respond completely.

Section 1: Business Information

1a Business Name	2a Employer Identification No. (EIN)
1b Business Street Address	2b Type of entity (Check appropriate box below)
Mailing Address	<input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other
City State ZIP	<input type="checkbox"/> Limited Liability Company (LLC) classified as a corporation
1c County	<input type="checkbox"/> Other LLC - Include number of members
1d Business Telephone ()	2c Date Incorporated/Established
1e Type of Business	mmddyyyy
1f Business Website (web address)	3a Number of Employees
	3b Monthly Gross Payroll
	3c Frequency of Tax Deposits
	3d Is the business enrolled in Electronic Federal Tax Payment System (EFTPS)



Other Forms

Forms 433-D & 9465, Installment Agreement

- Used to request an installment agreement – *Not a CIS*
- Either form may be used by AM or ACS employees
- Form 433-D used by field ROs to secure installment agreement information on complex cases
- Both forms have Automated Clearing House (ACH) information that allows establishment of an installment agreement to make payments by direct debit from checking accounts

Form 433-D (July 2020)		Department of the Treasury - Internal Revenue Service Installment Agreement (See Instructions on the back of this page)	
Name and address of taxpayer(s)		Social Security or Employer Identification Number (SSN/EIN) (Taxpayer) _____ (Spouse) _____	
		Your telephone numbers (including area code) (Home) _____ (Work, cell or business) _____	
		For assistance, call: 1-800-829-0115 (Business), or 1-800-829-8374 (Individual - Self-Employed/Business Owners), or 1-800-829-0922 (Individuals - Wage Earners)	
<input type="checkbox"/> Submit a new Form W-4 to your employer to increase your withholding.		Or write _____ (City, State, and ZIP Code)	
Kinds of taxes (form numbers)	Tax periods	Amount owed as of _____	
		\$ _____	
I / We agree to pay the federal taxes shown above, PLUS PENALTIES AND INTEREST PROVIDED BY LAW, as follows			
\$ _____ on _____ and \$ _____ on the _____ of each month thereafter			

Form 9465 (Rev. September 2020) Department of the Treasury Internal Revenue Service	Installment Agreement Request ▶ Go to www.irs.gov/Form9465 for instructions and the latest information. ▶ If you are filing this form with your tax return, attach it to the front of the return. ▶ See separate instructions.	OMB No. 1545-0074
Tip: If you owe \$50,000 or less, you may be able to avoid filing Form 9465 and establish an installment agreement online, even if you haven't yet received a tax bill. Go to www.irs.gov/OPA to apply for an Online Payment Agreement. If you establish your installment agreement using the Online Payment Agreement application, the user fee that you pay will be lower than it would be with Form 9465.		
Part I Installment Agreement Request		
This request is for Form(s) (for example, Form 1040 or Form 941) ▶ _____		
Enter tax year(s) or period(s) involved (for example, 2018 and 2019, or January 1, 2019, to June 30, 2019) ▶ _____		
1a Your first name and initial	Last name	Your social security number
_____	_____	_____
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
_____	_____	_____
Current address (number and street). If you have a P.O. box and no home delivery, enter your box number.		Apt. number
_____		_____



What's New on the Collection Information Statement

Recent revision to the Forms 433-A & B include

- Page 2, Section 4: Personal Asset Information for all Individuals (Foreign and Domestic) – Added a section on Virtual Currency. This includes requesting the virtual currency type; wallet, exchange or Digital Currency Exchange (DCE), email address used to set-up the exchange or DCE location(s) and the amount and value in US dollars
- Page 4, Section 5: Monthly Income and Expenses – Added to the notes section other income types that include Uber, Lyft, Airbnb and VRBO and income through digital platforms like an app or website, etc.



Keys to Preparing a Collection Information Statement

Remember

- Leave nothing blank
- Answer all the questions completely
- Make sure the financial information is current
- Sign and date the financial statement
- Provide documentation to verify the information on the financial statement

Note: Clients not qualifying for a streamlined installment agreement – or if an installment agreement is not an option – then they need to be prepared to submit thorough, complete and verifiable financial information



Resources

- [Form 433-F](#), Collection Information Statement
- [Form 433-H](#), Installment Agreement Request and Collection Information Statement
- [Form 433-A](#), The Collection Information Statement for Wage Earners and the Self-Employed
- [Form 433-B](#), Collection Information Statement for Businesses
- [Publication 1854](#), How to prepare Form 433-A
- [Publication 5059](#), How to prepare Form 433-B

In conclusion: The sooner a complete CIS is submitted and reviewed by IRS Collection, the more quickly the case will be resolved

433-A, B, D, F & H: Which Form for What Case?

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IRS Representation
Conference

*The information contained in this PowerPoint is general in nature and based on authorities that are subject to change. It is not intended to be, nor should it be construed as legal or tax advice. Readers should consult a tax professional of their own choosing to discuss how these matters may relate to their particular circumstances.

Allowable Expenses:

- Explain to the client that not all expenses are allowable in determining the amount of monthly installment agreement payments or an offer in compromise. There is more flexibility with expenses if the taxpayer agrees to pay the entire liability with 6 or 7 years in an installment agreement as opposed to an offer in compromise in which expenses are scrutinized and disallowed if not meeting IRS standards. For example, the cost of private school is generally not an allowable expense unless the school addresses some special need that the child has.
- Explain to the client that there are:
 - National Standards for food, clothing and miscellaneous;
 - National Standards for out-of-pocket medical costs;
 - Regional Standards for transportation; and
 - Local Standards for housing.
- **Tips for Allowable Expenses:**
 - Does the housing accommodate a special needs child or elderly person? Is it close to the client's doctors (or client's dependent's doctors? i.e., if a client or client's dependent has serious debilitating disease), is it rent stabilized and subject to the Senior Rent Increase Exemption?

Allowable Expenses:

- **More Tips for Allowable Expenses:**

- **Vehicles:** are there needs for transportation to a doctor? Does the client live where there is no nearby public transportation?
- **Medical expenses:** get letters from the client's doctors and health insurance carrier regarding client's current and projected out of pocket medical expenses, anticipated surgeries, and expected time out of work due to medical issues.
- **Accounting and fees for representation before the IRS:** an allowable other expense. IRM 5.15.1.11 (08-29-2018).
- **Current year taxes:** current federal, FICA, Medicare, state and local taxes are allowable expenses regardless of whether the taxpayer made those payments in the past. IRM 5.15.1.11 (08-29-2018).
- While there is a line item for "**other expenses**" on Forms 433-A and Form 433-F, there is not on Form 433-A (OIC) and the practitioner should create one with a Rider where appropriate for a client.

Practitioner Points

- All required tax returns must be filed prior to entering into a collection alternative with the IRS whether it be an installment agreement or offer. To prevent an offer from being returned, enclose copies of returns filed less than 60 days before submission of the offer with proof of filing to OIC.
- The **posting of manually filed tax returns by the Service Center is being affected by the backlog due to the pandemic.** Be sure to keep a signed copy of your client's tax return and have a tracking system to prove when the return was sent in to the Service Center and when the Service Center received the return. There is a potential argument for abatement of penalty and interest based on proof of when the Service Center received the tax return.
- If a federal tax lien has not been filed yet on your clients and they own their home, advise them to **apply for a home equity loan to pay the tax liability** where appropriate.
- **Statute of Limitations Defense:** Under IRC 6502, the IRS has 10 years after a tax is assessed to collect the tax liability. Remind your clients to file to start the statute of limitations even though they cannot pay the tax liability and that the failure to file penalty starts from the date the return was due. The failure-to-file penalty is 5% of the unpaid taxes for each month or part of a month that a tax return is late. The penalty won't exceed 25% of your unpaid taxes.
- A good alternative for taxpayers is a **partial pay installment agreement** ("PPIA"). PPIA is appropriate if full payment cannot be achieved by the collection statute expiration date and there is some ability to pay until the statute expires on a tax year. Form 433A and/or 433B must be completed for a PPIA. Complete utilization of equity is not always required. IRM 5.14.2.2 (04-26-2019). A PPIA may be granted if the taxpayer is unable to utilize the equity. IRM 5.14.2.2.2. Advise the client that the IRS may come back after two years for a financial review to determine if the partial pay installment agreement is appropriate. Another alternative, is a lower monthly payment for the first year with payoff within 6 years.
- Propose **currently not collectible status** if enforced collection of income or assets would cause a hardship – inability to pay reasonable basic living expenses. IRM 5.16.1.2.9 (9-18-2018). IRS may come back after two years for review.
- Attempt to resolve collection alternative issues with the Revenue Officer or the Revenue Officer's manager. Should you not be able to achieve an appropriate resolution for your client, utilize your collection due process rights and file for an administrative appeal.