SJWT Collection Panel
Collection Topics

- Revenue officer field presence
- Collection Information Statements
- Notice of Federal Tax Lien Issues
- Installment Agreements – Revolving Door?
- Current Compliance
- Other..........
The Revenue Officer is an:
- Investigator
- Educator
- Collector
- Counselor

Purpose:
- To be seen and heard
- Promote voluntary compliance
- Conduct work in the FIELD
Revenue Officer Field Presence

What is Field Work?

- Onsite investigative interviews (Collection Information Statements)
- Face to face Trust Fund Recovery Penalty interviews
- Talking to third parties, if needed
- Meeting representatives or taxpayers at their places of business - where the records are
- Reviewing business viability with taxpayers
- Touring businesses and looking at assets to confirm
  - Ownership
  - Value
  - Equity
Collection Information Statements

- **When are they Needed???
  - When Streamlined or IBTF Express does not apply
  - 433-F for ACS, 433-A for Field Collection

Revenue Officers will make an appointment to prepare these at the taxpayer or practitioner location.
Notices of Federal Tax Lien

- **Does it have to be filed??**
  - A filing Determination is required for Balances owed over $10k

- **Can it be removed??**
  - They can be withdrawn under certain conditions
    - Full Payment
    - Certain Installment Agreements
    - Best Interest of Taxpayer & Govt.; Facilitate Collection
  - Subordinated
  - Discharged
Installment Agreements

- My Client Owes again.....
  - Another Installment Agreement may be granted but...
  - Compliance question must be answered
  - Equity in Assets
  - Expenses may be adjusted....6 yr rule, Lifestyle questions
  - Amount of installments need to be looked into
Compliance

- Absolute most important issue to resolve FIRST
- Adequate ES payments and proper Withholding
- Correct amount of Federal Tax Deposits
- Filing of all Returns
- Collection Resolution Options depends on Current Compliance!
FAST Act

- Fixing America’s Surface Transportation Act (FAST Act)
  - Signed into law on Dec 4, 2015
    - Passport Denial/Revocation
    - Private Debt Collection
Passport Denial/Revocation

- Section 32101 requires the denial and authorizes the revocation of passports of taxpayers certified to the State Department as having a **seriously delinquent** tax debt

- Implementation – January 2018

- Seriously Delinquent Debt - $50,000+ owed

- Controlled launch – Start slowly with certifications

- Call site will work cases $250,000 or less

- Field will work $250,000 or more
Passport Denial/Revocation

How this works:

- IRS will certify to the Dept. of State those taxpayers with seriously delinquent debt
- IRS will notify taxpayers by letter of the certification
- The Dept. of State will take action on denying or revoking passports
- IRS will notify the Dept. of State when accounts are no longer seriously delinquent
- Taxpayers may bring civil action against the United States in district court or Tax Court to determine whether a certification is erroneous
Private Debt Collection

- Section 32102 of the Fixing America’s Surface Transportation Act (FAST Act), signed into law by the president Dec. 4, 2015, requires the IRS to use private collection agencies for the collection of outstanding inactive tax receivables.

- IRS selected 4 companies as Private Collection Agencies (PCAs)
  - CBE Group (Cedar Falls, IA)
  - Conserve (Fairport, NY)
  - Performant (Livermore, CA)
  - Pioneer (Horseheads, NY)
Private Debt Collection

How this works:

- Taxpayer will receive 2 letters advising them of case transfer
  - Case transfer letter from IRS with 10 digit PIN
  - Letter from PCA confirming transfer

- PCA will call taxpayer and reconcile 10 digit PIN

- Full pay or installment agreement options

- Payments made and sent to United States Treasury

- Currently not collectible or unable to contact cases sent back to IRS
Private Debt Collection

- PCAs will work inactive cases only

- The PCAs cannot take enforcement action (No Liens or Levies)

- If you do not wish to work with the assigned PCA to settle your account, you must submit a request in writing to the PCA

- A percentage of funds received will be invested in IRS hiring

- Help get our RO levels back to where they need to be to get our job done
Closing

- QUESTIONS.............