Missouri Department of Revenue

Offer in Compromise

This book includes all of the following to guide taxpayers through the Offer in Compromise process.

- ➢ Offer in Compromise policy statement.
- ➢ Information you need to know before submitting an Offer in Compromise.
- ➢ Instructions for completing the Offer in Compromise.
- ➢ Offer in Compromise Application MO-656.
- ➢ Terms and Conditions for the Offer in Compromise.
- ➢ Offer in Compromise documentation checklist.

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What is an Offer in Compromise?

The Department is authorized to consider an Offer in Compromise under **Section 32.378, RSMo**. An Offer in Compromise allows qualifying taxpayers an opportunity to settle unpaid tax accounts for less than the full amount that is owed. The goal of the Offer in Compromise program is to resolve a liability in a way that is in the best interest of both the State of Missouri and the taxpayer.

An offer based on doubt as to collectibility or severe economic hardship is not automatically accepted due to an immediate financial inability to pay. The Department will review the taxpayer's financial situation and will estimate how much can be collected over time if the offer is not accepted.

If taxpayers are unable to pay their taxes in full, there are other payment options, such as monthly installment agreements, that must be explored before an Offer in Compromise is submitted.

What can an Offer in Compromise do for me?

- Provide a "fresh start" towards tax compliance
- Resolve tax debt for less than the amount owed
- Remove economic burdens of state tax liens and levies

What can an Offer in Compromise not do for me?

- Delay or cancel existing collection actions. If it is determined that the offer was filed to delay collections, the offer will likely be rejected.
- Void or abate existing tax liabilities without any offer of payment or reason for a compromise.
- Release of lien, levy or other enforced collection until the offer is accepted.

What are some reasons an offer may be rejected?

- An offer of 'zero' or 'none' will not be considered for doubt as to collectibility.
- The taxpayer fails to make full financial disclosure, including all household income.
- There is evidence that assets were transferred or sold for less than the market value.
- The taxpayer submits false or misleading information.
- The taxpayer has not fully filed all tax types.
- The taxpayer has repeated noncompliance or attempts to avoid paying tax obligations.
- The offer does not include a statement supporting the reason for the offer.
- The offer includes an amount already collected.
- The tax liability sought to be compromised directly relates to a crime for which the taxpayer has plead guilty or was found guilty.

What is the criteria for submitting an offer?

1. Doubt as to liability:
    a.) Must complete Section 1 of the MO-656
    b.) Must provide a written statement explaining why the liability is not owed
2. Doubt as to Collectibility:
    a.) Must be fully filed on all required years for all tax types.
    b.) Must not have an open bankruptcy proceeding.
    c.) Must be current on all estimated tax payments if the taxpayer is required to make estimated tax payments.
    d.) Offer in Compromise payment plans must be through Electronic Funds Transfer (EFT) or credit card.
    e.) The taxpayer must submit all required information listed on the Offer in Compromise checklist.
    f.) Must complete Sections 1 through 5 of the MO-656. If self-employed or own a business; must complete Sections 1, 2, and 4 through 8.
3. Effective Tax Administration; Severe Economic Hardship:
    a.) Must be fully filed on all required tax years for all tax types.
    b.) Must not have an open bankruptcy proceeding.
    c.) Must be current on all estimated tax payments if the taxpayer is required to make estimated tax payments.
    d.) Offer in Compromise payment plans must be through Electronic Funds Transfer (EFT) or credit card.
    e.) Must complete Sections 1 through 5 of the MO-656. If self-employed or own a business; must complete Sections 1, 2,and 4 through 8.
4. Effective Tax Administration; Exceptional Circumstances:
    a.) Must complete Section 1 of the MO-656.
    b.) Must provide a written statement explaining circumstances.

Is professional assistance required to submit an offer?

Taxpayers are welcome to seek tax assistance from a tax professional, but it is not a requirement.

How does the Offer in Compromise process work?

When the Department receives a taxpayer's offer, it is reviewed to determine if all of the required documentation has been submitted and all criteria for submitting an offer have been met. If all documentation is not submitted, documentation is not complete, or if the MO-656 forms are not signed and dated, a letter will be sent requesting additional information. Each offer is considered on an individual basis and can be submitted for one of the following reasons:

1. Doubt as to Liability (I do not believe I owe this tax.): The taxpayer or entity must provide sufficient documentation to establish that there is substantial doubt regarding the taxpayer's liability and reasonable cause for failure to produce such documentation earlier in the collection process.

2. Doubt as to Collectibility (I agree I owe the tax, but cannot pay.): The taxpayer or entity must provide documentation that demonstrates an inability to pay the liability in full. The amount offered must be the maximum amount the taxpayer can pay, taking into consideration future earning potential and total equity in all assets.

3. Effective Tax Administration:

    (a) Severe Economic Hardship - Collection of the full liability will result in severe economic hardship to the taxpayer. If the Offer in Compromise is based on this reason, the Offer in Compromise Application (MO-656) with the applicable sections completed must be included.

    (b) Exceptional Circumstances - Regardless of the taxpayer's financial circumstances, exceptional circumstances exist that make collection of the full amount detrimental to voluntary compliance include, but are not limited to;

        (i) the taxpayer failed to pay because of circumstances beyond the reasonable control of the taxpayer and not the result of negligence on the part of the taxpayer or;

        (ii) a reasonable person would not expect the assessment based on previous policy of the Department of Revenue or information provided to the taxpayer by the Department of Revenue.

What happens when a decision is made?

When a decision is made, the taxpayer will be notified in writing. If the offer is accepted, the taxpayer must remain compliant on all Missouri tax filings and payment requirements for three years from the date the offer is accepted. If the taxpayer does not remain compliant, the negotiated amount will be retracted and the original balance due plus additional interest, less payments made, will then be owed. The Department will also offset state and federal refunds for tax periods through the tax year that the offer is accepted. An offset does not reduce the accepted Offer in Compromise amount.

Once an offer is accepted and paid according to the terms of the offer, any enforced collection activity such as liens and levies issued against the taxpayer who submitted the offer will be released. Failure to remain in compliance will result in the default of the offer and the Department will require payment of the original balance due plus additional interest, less payments made.

The law does not provide for an appeal of a rejected offer. The taxpayer must make payment arrangements to pay the debt. If this is not done, the case will be referred for further collection actions to collect the debt in full.

Where do I submit the offer?

Collections Enforcement
P.O. Box 1646
Jefferson City MO 65105-1646
Phone (573) 751-7200
Fax (573) 522-3218

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Form MO-656 (Revised 12-2014)

Before completing MO-656, please make sure you are eligible for the Offer in Compromise based on one of the reasons listed below.

If you require additional pages for any information you are providing, attach them as needed.

Section 1: Personal Information

Print or type your name(s), social security number(s), date of birth, dependent information, and address in the spaces provided.

A reason this offer is being submitted must be indicated by checking a box.

Doubt as to Liability

A legitimate doubt exists that the assessed liability is correct. Possible reasons to submit a doubt as to liability offer include:

1. You dispute the existence or amount of the correct tax liability.
2. Your evidence was not considered.
3. You have new evidence.

If doubt as to liability is chosen, only Sections 1 and 2 are required.

Doubt as to Collectibility

Doubt exists that you could ever pay the full amount of tax liability owed. If the offer in compromise is made for this reason, you must complete Sections 1 through 5 for an individual or if self-employed or you own a business complete Sections 1, 2 and 4 through 8.

Effective Tax Administration

(a) Severe Economic Hardship - Collection of the full liability will result in severe economic hardship to the taxpayer. If the Offer in Compromise is made for this reason, you must complete Sections 1 through 5 for an individual or if self-employed or you own a business complete Sections 1, 2 and 4 through 8.

(b) Exceptional Circumstances - Regardless of your financial circumstances, exceptional circumstances exist such that collection of the full liability will be detrimental to voluntary compliance by the taxpayer. Such exceptional circumstances include, but are not limited to:

(i) Instances where the failure to pay the taxes assessed is the result of circumstances beyond your reasonable control and is not the result of negligence on your part or

(ii) Instances in which a reasonable person would not expect the assessment based onprevious policy of the Department of Revenue or information provided to you by the Department of Revenue.

If exceptional circumstances is chosen, only Sections 1 and 2 are required.

Section 2: Payoff Information

Tax Type

Indicate each tax type with a balance due by checking the box. Enter social security number or business tax identification number and periods for each tax type marked. All Missouri tax debt must be included in the settlement offer.

The Offer

Enter the amount you can offer. Offer must be more than zero if the offer is based on doubt as to collectibility. Check cash offer if the amount is to be paid within 30 days after written notice of acceptance of the offer. Check short-term deferred payment offer if the amount will be paid in more than 30 days.

Indicate if you are borrowing the settlement offer. If so, provide the lender's information in the spaces provided.

If you choose doubt as to collectibility or severe economic hardship for the reason for your offer, you must include an explanation of why you are unable to pay your balance in full.

Section 3: Employment Information

Enter name of employer(s), phone number(s), address, year or months employed, occupation(s), number of allowances claimed on W-4, and how often you are paid.

If you or your spouse are self-employed or own your own business also complete sections 6-8.

Section 4: Personal Financial Information

Bank Accounts

Include IRA'S, other retirement plans, certificates of deposit, etc. Attach all pages of the most recent three months of bank statements for all accounts of each person in the household. If you owe more than $50,000, attach the most recent six months of bank statements.

Enter the name of the institution(s), address, type of account(s), (checking, saving, IRA, etc.), date the account was opened, account number(s), and the balance of the account.

Personal Property

Include boats, automobiles, ATV's, motorcycles, recreational vehicles, airplanes, machinery, etc, not used in your business. Attach additional pages as needed.

Enter year, make, model or style, license number, lender or lien holder, current market value, current payoff, and available equity. Enter zero if equity is less than zero. Attach copies of loan statements including the current payoff.

Real Property

For each property enter description, county, parcel number, mortgage lender's name and address, current market value, loan balance, and available equity. Include name of owner as it appears on the deed, purchase price, and the date. Attach supporting documentation of the loan balance and your most recent real personal property tax receipt for each property.

Other Valuable Items

Include artwork, guns, collectibles, jewelry, and any other valuable items not previously listed. Enter item, description, and current market value.

Credit Cards and Unsecured Lines of Credit

Enter type of credit, name of creditor, record owner, balance owed, and available credit. Attach supporting documentation of balances owed.

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Life Insurance

Enter name of insurance company, agent name and telephone number, policy number, type of insurance, face amount, and loan or cash surrender value. Include copies of life insurance policies.

Securities

Include stocks, bonds, mutual funds, money market funds and 401(k), not previously listed. Enter type of security, location, record owner, quantity or denomination, and current value. Attach supporting documentation showing current value of each.

Other Financial Information

Indicate no or yes for the options in this section. If "yes" is checked provide dates, explanation, and documentation. Transferred assets may include any vehicles, equipment, and property sold, given away, donated, or repossessed in the last 12 months.

Section 5: Personal Income and Expense Analysis

Enter gross monthly income. Under other, include income contributed by others in the household. Enter monthly expenses for each category that applies. Attach proof of monthly living expenses such as receipts, utility bills, tax payments, etc. Subtract total living expenses from total monthly income to obtain total disposable income.

Stop Here!

Complete sections 6-8 only if you own a business or you are self employed. Otherwise skip to Section 9.

Section 6: Business Information

Enter business name, Missouri tax identification number, business address, telephone number, and website. Select the type of business and give a description of the business. Enter the average gross monthly income and average number of employees for the past 12 months. If you or your spouse own additional businesses, complete an additional attachment with the information for each business.

Section 7: Business Financial Information

Bank Accounts

Include certificates of deposit, etc. Attach all pages of the most recent three months bank statements for each account. If you owe more than $50,000, attach the most recent six months of bank statements. Attach additional pages as needed.

Personal Property

Include automobiles, boats, ATV's, motorcycles, recreational vehicles, airplanes, machinery, and equipment owned by or used in your business.

Enter year, make, model or style, license number, lender or lien holder, current market value, current payoff, and available equity. Enter zero if equity is less than zero. Attach copies of loan statement including current payoff.

Real Property

For each property, enter description, county, parcel number, mortgage lender's name and address, current market value, loan balance, and available equity.

Include name of owner as it appears on the deed, purchase price, and date. Attach supporting documentation of loan balance and most recent property tax receipt for each property.

Other Valuable Items

Include cash, accounts receivable, artwork, collectibles, and any other valuable items not previously listed. Enter item, description, and current market value.

Securities

Include stocks, bonds, mutual funds, money market funds and 401(k), not previously listed. Enter the type of security, location, record owner, quantity or denomination, and current value. Attach supporting documentation and additional pages as needed.

Business Credit Cards and other Lines of Credit

Enter the type of credit, name of the creditor, record owner, balance owed, and available credit. Attach supporting documentation of balances owed.

Other Financial Information

Indicate no or yes for the options in this section. If "yes" is checked provide dates, explanation, and documentation. Transferred assets include vehicles, equipment, and property sold, given away, donated, or repossessed in the last 12 months.

Section 8: Business Income and Expense Analysis

Choose the accounting method used and enter the dates for income and expenses. Enter gross monthly income and monthly business expenses for each category that applies. Attach proof of monthly business expenses and total monthly income.

Before submitting your offer read the terms and conditions in Section 9.

Section 9: Signatures

Signatures and dates are required for your offer to be considered. If the MO-656 is sent without signatures and dates the offer will be deemed invalid.

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Form MO-656 (Revised 12-2014)

Form MO-656

Missouri Department of Revenue
Offer in Compromise Application

Department Use Only (MM/DD/YY)

Reporting Period (MM/YY)

Missouri Tax I.D. Number

Federal Employer I.D. Number

Section 1 - Personal Information

First Name	M.I.	Last Name	Social Security Number	Date of Birth (MM/DD/YYYY)

Spouse First Name	M.I.	Spouse Last Name	Spouse's Social Security Number	Date of Birth (MM/DD/YYYY)

Other Names or Aliases Used	Spouse Other Names or Aliases Used	Marital Status

Marital Status: ☐ Married ☐ Unmarried (Single, Divorced, or Widowed)

Provide information for all other persons in the household and claimed as a dependent. Attach additional pages as needed. (This information is optional if offer is based on doubt as to liability or exceptional circumstances).

Name	Age	Relationship	Claimed as a Dependent on your Form 1040?	Contributes to Household Income?
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No
			☐ Yes ☐ No	☐ Yes ☐ No

Your Current Street Address	City	State	ZIP Code	County

E-Mail Address	Phone Number (__ __ __) __ __ __ - __ __ __ __	Secondary Phone Number (__ __ __) __ __ __ - __ __ __ __

Your Mailing Address (If Different From Above)	City	State	ZIP Code

Name of your Tax Representative (CPA, Attorney, Etc.) Attach POA Form 2827	Phone Number (__ __ __) __ __ __ - __ __ __ __	Fax Number (__ __ __) __ __ __ - __ __ __ __

Tax Representative's Address	City	State	ZIP Code

I submit this offer for the reason selected below: See instructions for explanation of reasons. (select one)

☐ Doubt as to Liability ☐ Doubt as to Collectibility ☐ Severe Economic Hardship ☐ Exceptional Circumstances

Section 2 - Payoff Information

Tax Type	Social Security Number or Business Identification Number	Tax Periods
☐ Personal Income Tax		
☐ Business Tax (Withholding, Sales, Use, Corporate)		
☐ Other (Explain)		

I offer to pay $ _____ . (Must be more than zero if offer is due to doubt as to collectibility)

Select one of the following: ☐ Cash offer Balance to be paid in: ☐ 10 day ☐ 30 days

☐ Short-term deferred payment offer (monthly payments beginning within 30 days of acceptance of the offer)

$ _____ within 30 days

$ _____ on the _____ day of each month starting the second month after written notice of acceptance of the offer for a total of _____ months.

Will you borrow the settlement offer amount? ☐ Yes ☐ No

If yes, provide the lender's name, address, phone; list all collateral, if any, pledged to secure the loan.

Lender Information

Name	Phone Number (__ __ __) __ __ __ - __ __ __ __	Is lender a member of your household or immediate family? ☐ Yes ☐ No

Mailing Address	City	State	ZIP Code

Collateral

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Section 2 - Payoff Information

Include an explanation of why you are requesting an offer in compromise.

Section 3 - Employment Information

If self employed or own a business, complete Sections 6-8.

Name of Employer (Taxpayer)	Phone Number (__ __ __)__ __ __ -__ __ __ __	How Long Employed _____ Years _____ Months

Address	City	State	ZIP Code

Occupation	Number of Allowances Claimed on Form W-4	Paid	☐ Weekly ☐ Monthly	☐ Every 2 Weeks ☐ Twice Monthly (e.g., 1st & 15th)

Name of Employer (Spouse)	Phone Number (__ __ __)__ __ __ -__ __ __ __	How Long Employed _____ Years _____ Months

Address	City	State	ZIP Code

Occupation	Number of Allowances Claimed on Form W-4	Paid	☐ Weekly ☐ Monthly	☐ Every 2 Weeks ☐ Twice Monthly (e.g., 1st & 15th)

Additional Employment

Name of Employer ☐ Taxpayer ☐ Spouse	Phone Number (__ __ __)__ __ __ -__ __ __ __	How Long Employed _____ Years _____ Months

Address	City	State	ZIP Code

Occupation	Number of Allowances Claimed on Form W-4	Paid	☐ Weekly ☐ Monthly	☐ Every 2 Weeks ☐ Twice Monthly (e.g., 1st & 15th)

Section 4 - Personal Financial Information

Bank Accounts: Include IRA's, other retirement plans, certificates of deposit, etc. Attach all pages of the most recent three months bank statements for all accounts of each person in the household. Attach additional pages as needed. If you owe more than $50,000, six months bank statements are required.

Provide information for all persons in the household or claimed as a dependent.

Name of Institution	Address	Type	Date Opened	Account Number	Balance

Total of all bank accounts with positive balance . . . .

Personal Property: Include automobiles, boats, ATV's, motorcycles, recreational vehicles, airplanes, machinery, etc., not used in your business. Attach additional pages as needed. Attach supporting documentation of payoff.

Year	Make	Model	License Number	Lender or Lienholder	Current Market Value	Current Payoff	Available Equity (cannot be less than 0)

Total equity of all personal property . . . .

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Section 4 - Personal Financial Information

Real Property: For each property, include copies of deed, homeowner's or renter's insurance policy with riders, supporting documentation of loan balance, and most recent property tax statement. Attach additional pages as needed.

Property 1

Physical Address and Description (Single Family Home, Multi-Family Home, Bare Lot, Acreage, etc.)	County	Parcel Number

Mortgage Lender's Name and Address	Current Market Value	Loan Value Balance	Available Equity

Name(s) of Owners on Deed	Purchase Price	Purchase Date (MM/DD/YYYY)
		__ __/__ __/__ __ __ __

Property 2

Physical Address and Description (Single Family Home, Multi-Family Home, Bare Lot, Acreage, etc.)	County	Parcel Number

Mortgage Lender's Name and Address	Current Market Value	Loan Value Balance	Available Equity

Name(s) of Owners on Deed	Purchase Price	Purchase Date (MM/DD/YYYY)
		__ __/__ __/__ __ __ __

Other Valuable Items: Include items such as artwork, guns, collectibles, jewelry. Attach additional pages as needed.

Item	Description	Current Value

Total value of all other valuable items . . . .

Personal credit cards and unsecured lines of credit.

Type	Name of Creditor	Record Owner	Balance Owed	Available Credit

Total unsecured credit balance amount . . . .

Life Insurance: Attach additional pages as needed. Attach supporting documentation.

Name of Insurance Company	Agent's Name and Telephone Number	Policy Number	Type	Face Amount	Loan or Cash Surrender Value

Total value of all life insurance policies . . . .

Securities: Include stocks, bonds, mutual funds, money market funds, 401(k), etc. Attach additional pages as needed. Attach supporting documentation for the most recent three months.

Type	Location	Record Owner	Quantity or Denomination	Current Value

Total value of all securities . . . .

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Other Financial Information. If you check "yes", provide dates, an explanation, and documentation. Attach additional pages as needed.

Court proceedings (litigation, probate, etc.). . . . . ☐ No ☐ Yes _____

Anticipated increase in income . . . . ☐ No ☐ Yes _____

Bankruptcies or receiverships . . . . ☐ No ☐ Yes _____

Transfer of assets in last 12 months . . . . ☐ No ☐ Yes _____

Beneficiary to trust, estate, profit sharing, etc. . . . . ☐ No ☐ Yes _____

Taxes owed to the IRS (provide proof). . . . . ☐ No ☐ Yes _____

Taxes owed to other states, counties, districts, agencies, etc. . . . . . ☐ No ☐ Yes _____

Other debt (explain). . . . . ☐ No ☐ Yes _____

Monthly household disposal income. Attach documentation.

Gross Monthly Income			Monthly Living Expenses	
Source	Taxpayer	Spouse	Source	Amount
Salary, Wages, Commissions, Tips			House or Rent Payment	
Self-Employment Income			Income Taxes (Federal, State, FICA)	
Pensions, Disability & Social Security			Estimated Tax (If Applicable)	
Dividends & Interest			Groceries	
Gift or Loan Proceeds			Medical Expenses & Prescriptions	
Rental Income			Utilities:	
Estate, Trust & Royalty Income			Electric $_____ + Gas $_____ +	
Workers' Comp. & Unemployment			Water $_____ + Phone $_____ =	
Alimony & Child Support			Insurance:	
Seller Carried Contracts			Life $_____ + Health $_____ +	
Sales			Auto $_____ + Home $_____ =	
Other (Specify)			Court Ordered Payment	
Court Ordered Settlement			Personal Loan Payment	
Restitution			Clothing & Personal Grooming	
			Legal Fees	
			Transportation Expense	
			Vehicle Loan or Lease Payment	
			Property Taxes	
			Child Care	
			Installment & Credit Card Payments	
			Tuition Payment	
			Other (Specify)	
Subtotal				
Combined Monthly Income			Total Monthly Living Expenses	

Net Monthly Household Disposable Income
("Combined Monthly Income" minus "Total Monthly Living Expenses") . . . .

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Complete sections 6 through 8 only if you own a business or are self-employed.

Section 6 - Business Information

Business Name	Missouri Tax Identification Number	Average Gross Monthly Income	Total Employees

Business Address	Business Telephone Number (__ __ __) __ __ __ – __ __ __ __	Business Website

City	State	ZIP	Do you or your spouse have any other business interests?
			☐ Yes ☐ No

Type of Business (Select One)

☐ Sole Ownership ☐ Partnership ☐ LLC ☐ Corporation ☐ Other

If Yes, complete additional attachment for each business interest.

Description of Business

Section 7 - Business Financial Information

Bank Accounts: Include certificates of deposit, etc. Attach all pages of the most recent three months bank statements for all accounts.
Attach additional pages as needed. If you owe more than $50,000, six months bank statements are required

Name of Institution	Address	Type	Date Opened	Account Number	Balance

Total of all bank accounts with positive balance . . . .

Personal Property: Include automobiles, boats, ATV's, motorcycles, recreational vehicles, airplanes, machinery, etc., not used in your business.
Attach additional pages as needed. Attach supporting documentation of payoff.

Year	Make	Model	License Number	Lender or Lienholder	Current Market Value	Current Payoff	Available Equity (cannot be less than 0)

Total equity of all personal property . . . .

Real Property: For each property, include copies of deed, homeowner's or renter's insurance policy with riders, supporting documentation of loan balance, and most recent property tax statement. Attach additional pages as needed.

Property 1

Physical Address and Description (Single Family Home, Multi-Family Home, Bare Lot, Acreage, etc.)	County	Parcel Number

Mortgage Lender's Name and Address	Current Market Value	Loan Value Balance	Available Equity

Name(s) of Owners on Deed	Purchase Price	Purchase Date (MM/DD/YYYY)
		__ __ / __ __ / __ __ __ __

Property 2

Physical Address and Description (Single Family Home, Multi-Family Home, Bare Lot, Acreage, etc.)	County	Parcel Number

Mortgage Lender's Name and Address	Current Market Value	Loan Value Balance	Available Equity

Name(s) of Owners on Deed	Purchase Price	Purchase Date (MM/DD/YYYY)
		__ __ / __ __ / __ __ __ __

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Section 7 - Business Financial Information

Other Valuable Items: Include cash, accounts receivable, artwork, collectibles, business equipment, and any other valuable items. Attach additional pages as needed. Attach supporting documentation.

Type	Location	Record Owner	Quantity or Denomination	Current Value
Total value of all valuable items				

Securities: Include stocks, bonds, mutual funds, money market funds, 401(k), etc. Attach additional pages as needed. Attach supporting documentation for the most recent three months.

Type	Location	Record Owner	Quantity or Denomination	Current Value
Total value of all securities				

Business credit cards and unsecured lines of credit.

Type	Name of Creditor	Record Owner	Balance Owed	Available Credit
Total unsecured credit balance amount				

Other Financial Information. If you check "yes", provide dates, an explanation, and documentation. Attach additional pages as needed.

Court proceedings (litigation, probate, etc.). . . . . ☐ No ☐ Yes _____

Anticipated increase in income . . . . ☐ No ☐ Yes _____

Bankruptcies or receiverships . . . . ☐ No ☐ Yes _____

Transfer of assets in last 12 months . . . . ☐ No ☐ Yes _____

Beneficiary to trust, estate, profit sharing, etc. . . . . ☐ No ☐ Yes _____

Taxes owed to the IRS (provide proof). . . . . ☐ No ☐ Yes _____

Taxes owed to other states, counties, districts, agencies, etc. . . . . . . ☐ No ☐ Yes _____

Other debt (explain). . . . . ☐ No ☐ Yes _____

Section 8 - Business Income and Expense Analysis

Accounting Method Used ☐ Cash ☐ Accural

Income and expenses during the period (MM/DD/YYYY) __ __ /__ __ /__ __ __ __ to __ __ /__ __ /__ __ __ __

Total Monthly Business Income		Total Monthly Business Expense	
Source	**Gross Monthly**	**Expense Items**	**Actual Monthly**
Gross Receipts from Sales and Services		Materials Purchased	
Gross Rental Income		Inventory Purchased	
Interest Income		Gross Wages & Salaries	
Dividends		Rent	
Cash		Supplies	
Other Income (specify below)		Utilities and Telephone	
		Vehicle Gasoline and Oil	
		Repairs & Maintenance	
		Insurance	
		Current Taxes	
		Other Expenses (specify)	
Total Income		Total Expenses	

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1. I will remain in compliance with all tax types for three years after acceptance of the offer.

2. The offer remains pending until an authorized Department official issues notification of acceptance or rejection, or until the offer is withdrawn by me.

3. I understand that I voluntarily submit any payment made with this offer.

4. If the Department rejects the offer or if the offer is withdrawn, the Department will treat any paid amount with the offer as payment toward the outstanding tax liability.

5. Collection activity is normally suspended while an offer is pending, but such suspension is not required by law. I further understand that collection activity may continue if it is determined to be in the state's best interests, or if it is otherwise determined that the filing of the offer has not been made in good faith.

6. The Department will retain any payment(s) toward the liability for which the offer is made if such payment was made prior to receipt of the offer by the Department. The Department will retain and apply all amounts due to refund offset when such amounts are received prior to full payment of an accepted offer. An offset does not reduce the accepted Offer in Compromise amount.

7. I understand that the tax I owe is, and will remain, a tax liability until I meet all the terms and conditions of the offer. If I file bankruptcy before the terms and conditions of the offer are completed, any claim the Department files will be for the full amount less any payments.

8. Once the Department accepts the offer in writing, I have no right to contest, in court or otherwise, the amount of tax liability.

9. I the taxpayer shall bear all of my own costs, including attorney fees.

10. If I fail to meet the terms and conditions of an accepted offer, the compromise will be considered null and void. Updated interest and penalties will be added to the total balance due until paid in full.

In addition the Department may:

- Immediately issue and record any tax liens necessary to protect the state's legal interest;
- Proceed with enforced collection of the total outstanding liability;
- Apply amounts already paid under the offer to the total liability.

I agree to be bound by all the terms and conditions set forth in this offer. Under penalties of perjury, I declare that I have examined this offer, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I also declare under penalties of perjury that I employ no illegal or unauthorized aliens as defined under federal law and that I am not eligible for any tax exemption, credit, or abatement if I employ such aliens.

Signature of Taxpayer	Date (MM/DD/YYYY) __ __ / __ __ / __ __ __ __

Signature of Taxpayer Spouse or Partner	Date (MM/DD/YYYY) __ __ / __ __ / __ __ __ __

On behalf of the Missouri Department of Revenue, I accept the offer to pay for the reasons listed in Section 2.

Signature of Authorized Department Official	Title	Date (MM/DD/YYYY) __ __ / __ __ / __ __ __ __

Form MO-656 (Revised 12-2014)

Mail to: Taxation Division
P.O. Box 1646
Jefferson City, MO 65105-1646

Phone: (573) 751-7200
Fax: (573) 522-3218
TTY: (800) 735-2966
E-mail: collections@dor.mo.gov

Visit **http://www.dor.mo.gov/**
for additional information.

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Offer in Compromise Checklist

☐ Form MO-656 Offer in Compromise (enclosed)

☐ Third Party Affirmation – Power of Attorney Form 2827 (If Applicable)

☐ Supporting Documentation

For Offers of Doubt ss to Collectibility and Economic Hardship

☐ Proof of gross earnings, pension, social security, and other income, including statements showing deductions for the past three months

☐ Copies of bank statements for all checking and savings accounts, personal and business, for the most recent three months (If balance owed is $50,000 or more include most recent six months of bank statements)

☐ Copies of federal income tax return for the two most recent years

☐ Copies of expenses including rent, insurance, and property taxes for the most recent three months

☐ Copies of statements for all mortgages of real estate you own or have interest in

☐ Copies of statements showing the value of your interest in all retirement accounts, pensions, and profit sharing plans for the most recent three months

☐ A list of all stocks, bonds, and other securities you own, along with the current market value for each

☐ A statement from the insurance company for each life insurance policy showing the current cash loan value, accumulated dividends and interest, date, and amount of policy, and the amount if there is a loan or cash surrender value

☐ A statement from lending institutions and other creditors that clearly indicates current balances owed, and payment schedules on all notes payable and revolving accounts

☐ Copies of any judgments or legal decrees (excluding bankruptcies) for the most recent two years

☐ A list of all accounts receivable, showing the payer, amount due, age, and status of each business account

☐ Copies of medical bills showing a balance still owed not covered by insurance and documentation from the insurance company indicating the items not covered

☐ List of all business equipment and other business assets, including current market value of each item

Form MO-656 (Revised 12-2014)

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