

# TAX DEBT

## Slaying THE Monster

A step-by-step practical guide to resolving tax debt.

## ABOUT THE AUTHOR - MEET DENISE

### Denise Robinett

As the owner of Essential Business Services, Denise Robinett brings over 27 years of accounting and business management experience in working with her clients. As an IRS Enrolled Agent, Denise is authorized to represent taxpayers before the Internal Revenue Service and is licensed to practice by the Federal Government (US Treasury).

Denise has worked in higher education, retail services, non-profit organizations, real estate development, and mortgage banking. She founded Essential Business Services in 2004. As a “back office for your business,” Essential Business Services provides support in the areas of accounting, tax services, payroll, marketing and consulting. Denise Robinett is a Certified QuickBooks ProAdvisor and Small Business Coach.



Denise Robinett - Enrolled Agent  
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**Dealing with tax debt is a nightmare for most taxpayers.**

As a tax professional, I've seen all sorts of taxpayer debt strategies from pretending the debt doesn't exist to bombarding the tax agency with letters begging for forgiveness to moving to another state in hopes that the "out-of-sight-out-of-mind" thing works.

By the time the average taxpayer in debt comes into my office, they haven't slept in months and are deathly afraid of the tax monster in the mailbox.

## TAX DEBT: Slaying the Monster

**The tax monster isn't going away unless you confront it.**

The longer you wait to attack, the more difficult and costly the battle.

**So, what is the best strategy?**

Resolve the debt promptly while protecting your interests fully. Not as simple as it sounds, but if you keep calm, focus and get the expert help you need, the strategy is entirely possible with some patience and planning.

**Follow These Steps ...**

**1**

**Decide whether or not to attack alone.**

If your tax debt is **\$10,000 or less**, you can handle the situation yourself by researching your options and speaking directly to the tax agency. If you feel overwhelmed, hire a professional.

If your tax debt is **\$10,000-\$25,000**, consider hiring a professional to review your tax filings and sort out the feasibility and affordability of any possible payment plans.

If you owe **over \$25,000**, you should definitely be working with a qualified professional. Business Trust Fund and garnishment issues normally require professional help as well.

**2**

**Check your returns and filings for the tax period in question.**

Are they correct? Should they be amended? Is the tax debt accurate based on your filing?

If you don't know the answers, hire a professional to review and make a recommendation.

**3**

**Choose the tax debt plan that will help you Slay the Monster.**

Research each of the five debt resolution plans and present the ones that work for your situation:

- *Installment Agreement*
- *Partial Payment Installment Agreement*
- *Offer in Compromise*
- *Bankruptcy (under strict rules)*
- *Not Currently Collectible*

### **There is no way to ambush the tax monster.**

Recently, the IRS closed a few companies advertising that they could settle tax debt for pennies on the dollar. This is fraudulent advertising because each taxpayer situation is unique and is negotiated within the available resolution plans.

When tax debt is reduced or eliminated, it is normally in response to amendments, very strict hardship rules or IRS errors. Tax debt resolution is about:

- Finding the tax debt plan that works best in reducing debt/penalties
- Paying down debt in an affordable way
- Changing the factors that produced the tax problem



## **TAX DEBT: Slaying the Monster**

Winning the battle isn't easy, but not fighting will guarantee that you lose. Arm yourself with the facts and hire a professional to fight along with you. Before long, that scary mailbox will be a distant memory.

Denise Robinett  
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An IRS Enrolled Agent

## TAX DEBT: Slaying the Monster



**If you need guidance on a Tax or Accounting issue, please contact:**



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