



Commonwealth of Virginia
Department of Taxation

Offer In Compromise
Business Request For Settlement

Name Of Business _____ FEIN _____

Address Of Business _____ Va. Account No. _____

Telephone No. _____

T/A Name, If Different _____

To: Tax Commissioner

I/We submit this offer to settle tax, interest, and penalties for the periods indicated below.

Sales Tax For The Period(s): _____

Withholding Tax For The Period(s): _____

Corporate Tax For The Period(s): _____

Other (Specify) For The Period(s): _____

I/We Offer To Pay \$ _____ ☐ Payment Attached

If you are unable to enclose the full amount offered, state when the full payment will be received. (Ex.: within ten (10) days from the date the offer is accepted.) _____

I/We submit this offer for the reason checked below:

- ☐ **Doubt As To Collectibility.** My financial statement is attached.
- ☐ **Doubt As To Liability.** My detailed explanation is attached.
- ☐ **Request For Waiver Of Penalty Due To Reasonable Cause.** My detailed explanation is attached.

***See following page for terms and conditions.**

I/We, the undersigned, declare that I/we have examined this offer, including accompanying schedules and statements, and to the best of my/our knowledge, it is true, accurate, and complete. I/We hereby grant the power of attorney to act for me/us to compromise the above referenced liability(ies) to _____. Also, I/we grant authorization to verify any financial data by use of a credit report.

Signature of Taxpayer(s) _____ Date: _____

Daytime Phone: _____

Signature of Taxpayer's Representative _____ Date: _____

Daytime Phone: _____

Offer In Compromise – Terms And Conditions

Section 58.1-105 of the *Code of Virginia* allows the Tax Commissioner to compromise and settle doubtful or disputed claims for taxes or tax liability of doubtful collectibility. The Department of Taxation will consider Offer in Compromise under the following circumstances:

- **Doubt As To Collectibility:** You cannot pay the bill. You must submit a current financial statement with the Offer in Compromise request form.
- **Doubt As To Liability:** You question office audit procedures and/or an established tax law. You must provide a detailed explanation with the Offer in Compromise request form.
- **Request For Waiver Of Penalty:** Extenuating circumstances caused late filing or late payment. You must submit a detailed explanation with the Offer in Compromise request form. The department will consider waiver for **penalties only** due to reasonable cause. Taxes and/or interest can be waived in cases of **doubtful collectibility**.

To apply for correction of an incorrect bill, contact the Office of Customer Service at: (804) 367-8037 or P.O. Box 1115, Richmond, VA 23218-1115

- In submitting an Offer in Compromise, you must complete the **Offer in Compromise Business Request for Settlement** form and attach supporting documents to validate your case. Mail the completed form and attachments to the address below. Make checks payable to *Virginia Department of Taxation*. If help is needed to complete the form, and the offer is based on doubtful collectibility, call (804) 367-8045. If the offer is based on doubtful liability or a request for penalty waiver, call (804) 367-8037.
- If you have both individual and business bills to settle, submit one offer for all outstanding business taxes. Submit a separate Offer in Compromise - Individual Request for Settlement form for individual income tax.
- You are not required to make a payment when the offer is submitted. Clearly indicate on the Offer in Compromise Request form when the Department will receive payment. If a check is submitted with the offer it will be deposited upon receipt. The check's deposit does not mean that the offer is accepted.
- Your Offer in Compromise will be reviewed. If accepted, a letter will be sent to outline the terms and conditions for payment. **If the terms outlined are not met the acceptance becomes void.** If the offer is not accepted, a letter of denial and/or subsequent terms for settlement of your account will be sent. You may resubmit the Offer in Compromise providing there is new or additional information.
- Your attorney, tax preparer, or other representative can submit an Offer in Compromise request form in your behalf. Both you and your representative must sign the submitted form.

Mail the completed form and attachments to:
Tax Commissioner
Virginia Department of Taxation
Attn: CICT
P.O. Box 2475
Richmond, VA 23218-2475

The Department of Taxation may accept, amend, or deny an Offer in Compromise based on facts presented.

Financial Information Statement For Businesses

Section I - BUSINESS NAME AND ADDRESS (Complete All Blocks)

1. Business Name(s) And Address	2. Virginia Business Account No.	3. Federal ID No.
	4. Business Phone No.	5a. Other Contact Phone No.
		5b. Other Contact Name
6. Business Organization ☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Other _____		
7. Description Of Business		

Section II - Officers, Owners, Shareholders, Partners Information

8. Pertinent Information On Officers, Owners, Shareholders, Partners, Etc.				
Name And Title	Home Address	Telephone Number	Social Security No.	Total Share Of Interest

Section III - Banking, Credit And Property Information

9. Banking Information To Include Checking, Savings, Money Market, Payroll, Etc.				
Name And Address Of Institution	Type of Account	Name Account Listed	Account No.	Balance
10. Current Available Credit To Include Loans, Credit Cards, Etc.				
Name And Address Of Institution	Type Of Credit	Available Credit	Name On Account	Has Resource Been Contacted?
				☐ Yes ☐ No
				☐ Yes ☐ No
				☐ Yes ☐ No
11. Property To Include Real Estate, Non-Necessities, Etc.				
Type Of Property	Ownership Listed As	Value	Location Of Property	Used As Collateral For Previous Loans?
				☐ Yes ☐ No
				☐ Yes ☐ No

Attach additional information, if necessary

Section IV - Accounts And Notes Receivable Information

12. Accounts/Notes receivable (Include Loans To Stockholders, Officers, Partners, etc.)				
Name	Address	Amount Due	Date Due	Status
		\$		
		\$		
		\$		
		\$		
		\$		

Section V - Assets And Liability Statement

13. Asset And Liability Analysis (Total)							
Description		Current Market Value	Liabilities Balance Due	Equity In Asset	Amount Of Payment	Name/Address Of Institution Lien Holder	Contact Telephone Number To Verify
Cash On Hand							
Bank Accounts							
Account/ Notes Receivable							
Real Property	1						
	2						
	3						
	4						
Vehicles (model,yr.,license)	1						
	2						
	3						
Machinery/ Equipment	1						
	2						
	3						
Merchandise Inventory							
Other Assets	1						
	2						
	3						
Other Liabilities	1						
	2						
	3						
Federal Taxes							
State Taxes							
Local Taxes							
Total		\$	\$	\$	\$		

Section VI - Income And Expense Statement (Continued)

Period Ending		Period (Check One) ☐ Annual ☐ Quarterly ☐ Monthly	
14. Income	Income	15. Expenses	Monthly Payment
Gross Receipts From Sales, Service, Etc.	\$	Materials Purchased	\$
Gross Rental Income		Net Wages And Salaries	
Interest		Rent	
Dividends		Installment Payments	
Other Income (Specify):		Supplies	
		Utilities/Telephone	
		Repairs And Maintenance	
		Insurance	
		Current Taxes	
		Other (Specify):	
Total Income	\$	Total Expenses	\$
		Net Difference (Total Income - Total Expenses)	\$

Comments:

Certification

Under penalties of perjury, I declare that to the best of my knowledge and belief, this statement of assets, liabilities and other information is true, correct and complete.

Signature _____ Date: _____