



To file an Offer in Compromise Based on Doubt as to Liability:

1. Fill out IRS Form 656-L.
2. Check "doubt as to liability" on Form 656-L.
3. Send proof you don't owe the tax.
4. Write a letter explaining why you don't owe the tax (include your facts and the law).
5. Offer \$1 or more. Don't send your offer payment with IRS Form 656-L.

When should you file an Offer in Compromise Based on Doubt as to Liability?

- when the IRS has seen your proof but disagrees with you; and
- when you are not asking for a refund

When do I file my amended return?

You have an unlimited period of time to file your return and correct your account.

You must file your return within 3 years from the tax return's due date, or 2 years from the date of your last payment to get money back.

Who We Are

Legal Aid Society is Tennessee's largest non-profit law firm. Our mission is to enforce, advance, and defend the legal rights of low income and vulnerable people to obtain the basic necessities of life.

Contact Us

We have offices in Clarksville, Columbia, Cookeville, Gallatin, Murfreesboro, Nashville, Oak Ridge, and Tullahoma.

Tennessee Taxpayer Project
A Low Income Taxpayer Clinic
Legal Aid Society
1-866-481-3669



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Fixing IRS Accounts

Did the IRS make changes you disagree with? Did you make a mistake on your tax return or fail to claim a tax credit?

Call the Tennessee Taxpayer Project at 1-866-481-3669 if you have questions or need more information.

It's a FREE call!



LEGAL AID SOCIETY
OF MIDDLE TENNESSEE AND THE CUMBERLANDS



Do you want to make changes to your federal income tax account?

If you want to make changes to your tax return, file an amended return with IRS Form 1040-X.

Where do I find IRS Form 1040-X?

Go to www.irs.gov and type IRS 1040-X in the search bar to download the form.

Where do I file my amended return?

File your amended return where you filed your original tax return.



Did you know the IRS can make changes to your federal income tax account?

The IRS has **3 years** to make changes to your tax return if they think you made a mistake. In some cases, they have longer. **The 3 years start:**

- on the day the tax return was due; or
- on the date you file, whichever is later

Do you disagree with the changes?
Here are some options that may help!



The options below are used when you disagree with IRS changes made to your tax return or IRS Account.

If you don't owe a federal income tax debt you have the right to file an appeal! This means you can:

- challenge the IRS and be heard
- pay no more than the correct amount of tax
- have a new and fair review of your tax account

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FILING AN APPEAL

1. The IRS letter will tell you when and how you must file an appeal.
2. You have 30 days from the date on the letter to file most appeals with the IRS.
3. IRS Math Error Notices give you 60 days to appeal.
4. Some appeals to the US Tax Court have a 90-day appeal deadline. See www.ustaxcourt.gov for a sample petition.

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Has the appeal time passed?
Consider these two options.

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REQUEST AUDIT RECONSIDERATION

This can help if the IRS makes an incorrect change to your tax record or files a tax return for you.

IRS Form 12661 is helpful for Audit Reconsideration.

To use this process:

- your tax must be unpaid; and
- no US Tax Court Decision

To file an Audit Reconsideration with the IRS:



Step 1: Send the IRS a letter explaining the problem. In your letter include:

- a list of the tax issues you dispute and attach the IRS Exam Report, if you have it. Call 866-897-0161 to request a copy of your exam report.
- facts and attach any supporting information
- the law
- a statement that you didn't get notice or show up for the exam, you disagree with the exam, **OR** you have new information



Don't forget to write "Audit Reconsideration" on the letter. You can also attach an amended Tax Return/Form 1040-X to show the correct result, but a 1040-X is not required.

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Step 2: Send your letter to the office listed on your exam letter.

FAQ?

What if you do not have the exam letter?

You can send your letter to the office where you filed your original tax return. Ask for the mailing address of where to send your Audit Reconsideration. You can also call the IRS at 866-897-0177.

What if the IRS fixes your return?

You may not owe the tax and you might also get a refund!

What if your Audit Reconsideration is denied?

You will get a new right of appeal if the Audit Reconsideration is denied.

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FILE AN OFFER IN COMPROMISE BASED ON DOUBT AS TO LIABILITY

Think the IRS made a mistake and you don't owe what they say? You can file an Offer in Compromise based on Doubt as to Liability for free. Offer to settle the debt by making a one-time payment.

Use this process if you doubt that you owe the tax. It doesn't matter if the IRS made changes or you made a mistake in reporting the tax. Use IRS Form 656-L.

You can file an Offer in Compromise Based on Doubt as to Liability for free – no required deposits or filing fees. You must pay something to settle the debt. You won't get a tax refund for the year you are trying to settle.

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