Pennsylvania
Department of Revenue

REV-567 (ET) 06-25
PA DEPARTMENT OF REVENUE
BUREAU OF ENFORCEMENT AND
TAXPAYER ASSISTANCE,
COMPROMISE UNIT
327 WALNUT STREET
HARRISBURG PA 17128-1041

OFFER IN COMPROMISE

OFFICIAL USE ONLY
Case Number
Entity Number

THIS FORM MUST BE COMPLETED PRIOR TO YOUR OFFER BEING REVIEWED BY THE DEPARTMENT.
FAILURE TO RETURN THIS COMPLETED FORM IN A TIMELY MANNER MAY RESULT IN DELAY OR DENIAL OF YOUR OFFER.
ALL SECTIONS MUST BE COMPLETELY FILLED OUT IN ORDER FOR AN OFFER TO BE CONSIDERED.
PLEASE PRINT OR TYPE ALL ANSWERS. ATTACH ADDITIONAL SHEETS WHEN NECESSARY.

Start →

SECTION I APPLICANT INFORMATION

Applicant Name		SSN or FEIN
Mailing Address		Phone Number
City	State	ZIP Code
Co-applicant Name (if necessary)		SSN or FEIN
Mailing Address		Phone Number
City	State	ZIP Code

Applicant Structure ☐ Individual ☐ Corporation ☐ Partnership ☐ Corporation Officer(s)
☐ Proprietorship ☐ Trust/Estate ☐ Other (specify) _____

SECTION II SETTLEMENT INFORMATION

Amount of Offer	Amount Attached	Method of Payment

Description of Tax Liabilities to be Settled

TAX TYPE	ACCOUNT NUMBER	PERIODS

SECTION III ATTORNEY, ACCOUNTANT, OR AGENT INFORMATION

Name (attach Power of Attorney if necessary)		Phone Number
Street Address		
City	State	ZIP Code

SECTION IV REASON FOR OFFER

Reason for offer ☐ Doubt as to Liability ("I don't believe I owe this tax") ☐ Doubt as to Collectability ("I can't pay")

SECTION IV REASON FOR OFFER (cont.)

Summary Statement Supporting Reason for Offer

SECTION V CERTIFICATION

By submitting this offer, I/we understand and agree to the Pennsylvania Department of Revenue's TERMS AND CONDITIONS as follows:

a) I/we voluntarily submit all payments made on this offer.

b) The Pennsylvania Department of Revenue will apply payments made under the terms of this offer in the best interests of the commonwealth.

c) If the department rejects the offer or the offer is withdrawn, the department will treat any amount paid with the offer per my/our direction, as given on Page 3 of the offer, as to refund or application of funds. If my/our directions are to apply the payment, the date of payment will be the date these funds are received by the department. I/we understand that the department will not pay interest on any amount I/we submit with the offer.

d) I/we will remain in compliance with all provisions of the Pennsylvania Revenue Code relating to the filing/payment of my/our required taxes during the pendency of this offer; additionally, I/we will comply with all said provisions for a period of five years from the date of notification of acceptance of this offer.

e) The offer is pending starting with the date it is acknowledged by the department. The offer remains pending until the department gives notification in writing of acceptance or rejection, or until withdrawn by me/us.

f) I/we understand that, although collection activity is normally stayed while an offer is pending, such a stay is not required by law. I/we further understand that collection activity may continue if it is found that the stay would jeopardize the commonwealth's interest, or if it is determined that the offer is a subterfuge or stall.

g) The department will keep all payments and credits made, received or applied to the amount being compromised before this offer was submitted. The department will also keep any payments made under the terms of an installment agreement, any credits applied due to refund offsets and any collections made through continued enforced collection activity while this offer is pending.

h) The total amount the department can collect under this offer cannot be more than the full amount of the tax liability, including fees, interest, penalties, etc.

i) I/we understand that I/we remain responsible for the full amount of the tax liability unless and until the offer is accepted in writing and I/we have met all terms and conditions. The department will not remove the original amount of the tax liability from its records until I/we have met all terms and conditions.

j) I/we understand that the tax I/we offer to compromise is and will remain a tax liability until I/we meet all terms and conditions. If I/we file bankruptcy before the terms and conditions of this offer are completed, any claim the department files in a bankruptcy proceeding will be a tax claim.

k) Once the department accepts the offer in writing, I/we have no right to contest, in court or otherwise, the amount of the tax liability.

l) If I/we fail to meet any of the offer's terms and conditions, including making payment(s) within the time frame mutually agreed upon as a condition of acceptance, the offer is then determined to be in default. The department will continue to add interest and applicable penalties, as required by the Revenue Code, on the amount due to the department. Interest and applicable penalties will continue to be added as though no offer had been made, until I/we completely satisfy the amount owed. Additionally the department may:

i) immediately issue and record any tax liens (if not already issued and recorded) necessary to protect the commonwealth's position;

ii) proceed with enforced collection activity on the original tax liability without further notice of any kind;

iii) disregard the amount of the offer and apply all amounts already paid under the offer against the original tax liability.

I/We understand that the Pennsylvania Department of Revenue will immediately deposit any payment tendered with this offer, to be held pending a final decision by the Department or my/our withdrawal of the offer. I further understand that the Department's deposit of this payment constitutes neither a waiver of any of its rights, nor an acceptance of the offer. In the event the Department rejects the offer or it is withdrawn, I/we wish that the amount we tendered be:

☐ **Returned to Me/Us** ☐ **Applied to My/Our Tax Liability**

Under penalties of perjury, I/we declare that I/we have examined this offer including accompanying schedules and statements, and to the best of my/our knowledge and belief it is true, correct and complete. I/We further understand and agree to the terms and conditions set forth on Page 3 of the application form.

Taxpayer Name (please print)	Taxpayer Signature **SIGN AFTER PRINTING**	Date **MM/DD/YYYY**
Taxpayer Name (please print)	Taxpayer Signature **SIGN AFTER PRINTING**	Date
Attorney or Accountant Name (please print)	Attorney or Accountant Signature **SIGN AFTER PRINTING**	Date

SECTION VI DISCLOSURE AGREEMENT

To be completed only if an offer is presently pending with, has been recently acted upon by or is contemplated to be filed with the IRS. Separate signature(s) required for this section.

By my/our signature(s) below, I/we authorize the Pennsylvania Department of Revenue and the Internal Revenue Service to exchange information from their respective files regarding my/our pending or completed Offer in Compromise. The status of my offer with the IRS is:

☐ To Be Filed Date	☐ Pending (date filed)	☐ Completed Date	☐ Accepted ☐ Rejected

IRS Agent Assigned	Tax Period(s) Covered	Tax Type(s)	FEIN

Taxpayer Name	Taxpayer Signature **SIGN AFTER PRINTING**	Date **MM/DD/YYYY**
Taxpayer Name	Taxpayer Signature **SIGN AFTER PRINTING**	Date

Pennsylvania
Department of Revenue

Instructions for Form REV-567

Offer in Compromise

REV-567 IN (ET) 06-25

GENERAL INFORMATION

REASONS FOR COMPROMISE

The Department of Revenue can compromise the amount owed for the following reasons:

- Doubt as to liability, i.e., doubt as to whether you owe the amount ("I don't believe I owe this tax")

or

- Doubt as to collectability i.e., doubt that we can collect the full amount owed ("I can't pay").

We cannot accept a compromise based on doubt as to collectability when there is no doubt that we can collect the full amount owed. We also cannot accept a compromise based on doubt as to liability when the amount owed has already been rendered due by a court or an administrative law judge.

If you submit an offer based on doubt as to liability, you must submit a detailed written statement explaining why you do not owe the liability, along with supporting documents.

REVENUE DEPARTMENT POLICY

We will accept an offer in compromise when it is unlikely that we can collect the full amount owed and the amount you offered reasonably reflects collection potential. Our goal is to collect what we can at the earliest possible time with the least cost to the state.

In delinquent tax cases where an offer in compromise appears to be a workable solution, an analyst will discuss the compromise process with you. You are responsible for making the specific proposal for compromise.

Our offer in compromise process will be successful only if you make an adequate compromise proposal consistent with your ability to pay and we make prompt and reasonable decisions. Taxpayers are expected to provide adequate documentation to verify their ability to pay. The goal is a compromise which is in the best interest of both the taxpayer and Revenue. Acceptance of an offer also creates a fresh start for the taxpayer regarding future filing and payment requirements.

HOW TO DETERMINE AN ACCEPTABLE OFFER

An acceptable offer must include all amounts available from the following sources.

- The liquidating value of your assets. (Value if you are forced to sell)
- The amount we could collect from your present and future income. Generally, the collectable amount is your income minus necessary living expenses.
- Assets or income that are available to you but may not be available to Revenue for direct collection action. (e.g. property outside the state of Pennsylvania.

OFFER INVESTIGATION

The Department of Revenue will investigate your offer to determine if the offered amount is the maximum you can pay. This means that we may ask for information to verify your financial statement (Form REV-488, REV-484). We may ask you to increase the amount of your offer or to change the terms of payment, or we may find that we can't accept your offer.

QUESTIONS REVENUE WILL CONSIDER

The Department of Revenue's goal is to reach a compromise that is in the best interest of both the commonwealth and the taxpayer. It is your responsibility to show us why it would be in the commonwealth's best interest to accept your proposal. When we consider your offer we must ask the following questions:

(1) Could we collect the entire amount owed through liquidation of your assets or through an installment agreement based on your present and future income? If the answer is "yes", we can't accept your offer.

(2) Could we collect more from your assets and future income than you offered? If the answer is "yes", you must offer a larger amount or we will reject your offer.

(3) Would we be better off waiting until a future date because it appears that collection in the future would result in more money than you now offer? If the answer is "yes", you must offer a larger amount or we will reject your offer.

(4) Would the taxpaying public believe that acceptance of your offer was a reasonable action? If the answer is "no", we will reject your offer.

The fact that you currently have no assets or income doesn't mean that Revenue should simply accept anything that you offer because that is all we can collect now. It is usually better for us to reject a nominal offer and wait to see what collection potential arises during the remainder of our collection time.

As we stated in our policy, we will accept your offer only if you submit a legitimate proposal that is in the State's best interest.

TAX COMPLIANCE

We won't accept your offer if you haven't filed all required returns. In addition, we will expect you to have paid all

estimated tax payments due as of the date you file the offer. Please note that the acceptance of an offer is contingent upon your future compliance (i.e., filing and paying) for five years after acceptance.

SUSPENDING COLLECTION

Submitting an offer doesn't automatically suspend our collection activity. If there is any indication that you filed the offer only to delay collection of the tax or to delay our ability to collect the tax, we will continue collection efforts. If you agreed to make installment payments before you submitted your offer, you should continue to make those payments.

FINANCIAL STATEMENT

If you submit your offer on the basis of doubt as to collectability, you must also submit Form REV-488, Statement of Financial Condition for Individuals, or Form REV-484, Statement of Financial Condition for Businesses. If you are an individual and you operate a business, you must submit both forms.

You must complete all blocks on these forms. Write N/A (not applicable) in any blocks that don't affect you. Please pay particular attention to Line 7 "Other Assets", on Form REV-484 and Line 9, "Other Assets" on Form REV-488. You should list pension plans, profit sharing plans and individual retirement accounts on those lines. When you send Form REV-484 and/or Form REV-488, you should include documentation to verify values of assets, encumbrances and income and expense information. When you determine the "Current Market Value" of assets on Forms REV-484 and REV-488, use the "quick sale" or "liquidating value".

RETURNING YOUR OFFER

We will return your offer to you for clarification if we can't process it because it contains any of the following problems.

(1) the taxpayer isn't adequately identified;
(2) the liabilities to compromise aren't identified;
(3) no amount is offered;
(4) appropriate signatures aren't present;
(5) financial statements aren't submitted; or
(6) the amount offered doesn't equal the minimum offer amount required.

OFFER REJECTION

If you should submit an offer based on doubt that we can collect the full amount owed and we find that you can pay more than you offered, we will reject your offer. We will also reject an offer based on your doubt that you owe the liability, if we still believe that you owe it.

LINE INSTRUCTIONS

SECTION I

APPLICANT INFORMATION

APPLICANT

Include name, SSN or FEIN mailing address and phone number. Also include for co-applicant if necessary.

APPLICANT STRUCTURE

Fill in the appropriate oval. Specify if "other" is selected.

SECTION II

SETTLEMENT INFORMATION

Write the amount of offer, amount attached, and method of payment. List the descriptions of tax liabilities to be settled including tax type, account number and periods. Attach additional sheets if necessary.

SECTION III

ATTORNEY, ACCOUNTANT OR AGENT INFORMATION

Include Name, phone number and address. Attach power of attorney if necessary.

SECTION IV

REASON FOR OFFER

Fill in the appropriate oval. Include a summary statement

SECTION V

CERTIFICATION

TERMS AND CONDITIONS

Carefully read all terms and conditions as set by the Department of Revenue. Fill in the oval to specify how the amount is to be tendered in the event the offer is rejected or withdrawn.

Print the taxpayers' names, attorney or accountant's name and sign and date after printing.

SECTION VI

DISCLOSURE AGREEMENT

If an offer is pending, recently acted upon by, or is contemplated to be filed with the IRS, you must complete the disclosure agreement. If not, mark the appropriate block. Be sure all parties making the offer sign and date this section.

NOTE: Only to be completed if an offer is presently pending with, has been recently acted upon by, or is contemplated to be filed with the IRS.

FILING YOUR OFFER

Submit your offer to the representative presently working on your case. If you do not know the name of the assigned representative, mail your application to:

PA DEPARTMENT OF REVENUE
BUREAU OF ENFORCEMENT AND TAXPAYER
ASSISTANCE, COMPROMISE UNIT
327 WALNUT STREET
HARRISBURG PA 17128-1041

Or submit electronically via
RA-RV-COMPROMISE@PA.GOV

including tax type, account number and periods. Attach additional sheets if necessary.

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Include Name, phone number and address. Attach power of attorney if necessay.

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