



How to Complete IRS Form 433-A (OIC)

Collection Information Statement for Wage Earners and Self-Employed Individuals

Form 433-A (OIC), Collection Information Statement for Wage Earners and Self-Employed Individuals is used for individual taxpayers who want to submit an Offer in Compromise for their individual tax liability.

Get [Form 433-A \(OIC\).pdf](#)

Section 1 - Personal and Household Information

Section 1 is your basic personal household information. This is your and if you are married, your spouse's information. If you have children, you will put their information here as well. There are two areas next to your children's information that you need to answer. If they are claimed on your tax return- note that if they are not, you will not get credit for any financial support for them outside of court ordered child support amounts. The next is if they contribute to household income.

Section 2 - Employment Information for Wage Earners

Complete this section referencing employment information for both you and your spouse.

Section 3 - Personal Asset Information

Bank accounts, investments, retirement accounts, whole life policies, real estate and vehicles all go in this section.

For bank accounts, list each one out separately on this form. If you have more than 2 bank accounts, include an attachment for the additional bank accounts and total those on 1(c). Once you have totaled all bank account balances, you are able to deduct \$1,000.00 from any available funds in the bank accounts and list that as the final number on Line 1.

Next, list any stocks, CD's, bonds or mutual

fund accounts you have. Then you list any retirement accounts you may have. On investment accounts that you have taken a loan against and are still repaying, you can deduct said loans from the Fair Market Value of the accounts to determine the equity in the account.

For your real estate, make sure you complete the final payment date and well as have an accurate loan balance for this section. The description of the home is going to be single family home, multi-family home, apartment building, commercial building, etc. For the value of the property, I don't suggest using only the county valuation or only Zillow, but maybe an average of the two or an appraised value if you have had a recent appraisal. If you own more than two real estate properties, use an attachment and total the attached amounts on line 5(c) and totaling them all on line 5.

Vehicles are the next portion of the asset section. You will list all vehicles you have, even if they are leased or salvage title vehicles. If it is registered in your name, you need to list it. This includes boats, RV's, ATV's, motorcycles and trailers. For each taxpayer the offer is being submitted for, you can subtract \$3,450.00 from the equity in the two primary vehicles to determine the equity in the vehicles for the offer calculation.



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The last section of personal assets is other valuables. This includes any collectible items, jewelry, artwork, and general household items. In order to determine the value of your household items, I suggest using what I call 'yard-sale' value. If you were to sell all your household belongings in a yard sale what do you expect you would get out of it. This would be the value.

Box A, near the top of page 4, is the total of the available individual equity in assets. You are going to total up the boxes 1-7 to come up with this number here.

Section 4 - Self-Employed Information and Section 5 - Business Asset Information

Complete these sections in full referencing both your Self-Employment and Business Asset details.

Section 6 - Business Income and Expense Information (for Self-Employed)

Refer to your Business Profit and Loss reporting to complete this section.

Section 7- Monthly Household Income and Expense Information

In this section that wage earners will list all income sources for the household, even if those income sources are not taxable like child support. For the expenses, line

39 and 45, use the link on the form to use for those numbers. The rest of the form will be completed based on the amounts you are paying in expenses. Some of your expenses may be limited based on allowable amounts on this page once an IRS Offer Examiner reviews the information. Total up all your expenses on page 7, Box E and determine the remaining monthly income in Box F.

Now you will calculate the amount you can offer to settle your tax debt. The amount you offer will determine on how quickly you can pay the amount you are offering.

Section 8 - Calculate Your Minimum Offer Amount

Section 8 will go through these calculations to help you determine which is the best and most realistic option for you. The final number in the Box labeled Offer Amount would be transferred over to your [Form 656 - Offer in Compromise](#).

Section 9 - Other Information

This section contains a series of Yes and No questions that must be answered.

Section 10 - Signatures

Be sure to sign and date accordingly and refer to the checklist of items that must be included at time of the form submission.



Additional Resources:
[Form 656 - Offer in Compromise.](#)
[Form 433-A - Collections Information Statement for Wage Earners and Self-Employed Individuals](#)

NEED HELP COMPLETING THIS FORM?
Contact us today to schedule a consultation

Call [\(720\) 319-8954](tel:7203198954) or visit us at trueresolvetax.com