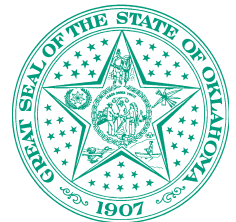


# APPLICATION FOR SETTLEMENT OF TAX LIABILITY

## **This Packet Contains:**

- **Instructions**
- **Application for Settlement of Tax Liability - Form OTC-600**
- **Statement of Financial Condition for Individuals - Form OTC-600-A**
- **Statement of Financial Condition for Businesses - Form OTC-600-B**
- **Worksheet to Calculate Collection Potential - Form OTC-600-C**
- **Document Checklist - Form OTC-600-D**
- **Authorization to Release Financial Data - Form OTC-600-E**
- **Power of Attorney - Form BT-129**



## **OKLAHOMA TAX COMMISSION**

Account Maintenance Division - AMW  
Post Office Box 26800  
Oklahoma City, Oklahoma 73126-0800

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# INFORMATION YOU NEED TO KNOW BEFORE SUBMITTING THE APPLICATION FOR SETTLEMENT OF TAX LIABILITY

## WHAT ARE THE GROUNDS FOR REQUESTING A SETTLEMENT OF TAX LIABILITY?

The Oklahoma Tax Commission, as authorized by Oklahoma Statutes, Title 68, Section 219.1, will consider a settlement of tax liability when it is determined that:

- A. Collection of the tax, and interest and penalties accruing thereto, would reasonably result in the taxpayer declaring bankruptcy;
- B. The tax is uncollectible due to insolvency of the taxpayer resulting from factors beyond the control of the taxpayer or for other similar cause beyond the control of the taxpayer;
- C. The tax liability is attributable to actions of a person other than the taxpayer and it would be inequitable to hold the taxpayer liable for the tax liability; or
- D. In cases of nonpayment of trust fund taxes, the taxes were not collected by the taxpayer from its customer and the taxpayer had a good faith belief that collection of the taxes was not required;

Administrative rules for the settlement process are found at 710:1-5-80 et. seq. of the Oklahoma Administrative Code.

## AM I ELIGIBLE?

Taxpayers are eligible to file an Application for Settlement if they believe they qualify for settlement on one or more of the grounds referenced above and the following eligibility requirements are met:

- 1) The tax liability must be final;
- 2) All administrative remedies and appeals must be exhausted;
- 3) The taxpayer must be current with all tax return filing requirements of the Commission;
- 4) The taxpayer must not be the subject of an open bankruptcy proceeding
- 5) The taxpayer must not be the subject of a State tax related criminal investigation or prosecution.

## WHEN AM I NOT ELIGIBLE?

- 1) Settlement of liability is not available if the taxpayer does not meet one of the four grounds for settlement listed above and all of the eligibility requirements.
- 2) Trust fund taxes collected, but not remitted to the Tax Commission, can not be settled for less than the amount of tax collected.
- 3) Appointed or elected officials are not eligible to seek relief.



## MAKING AN OFFER FOR SETTLEMENT OF TAX LIABILITY

- ◆ An Application for Settlement of Tax Liability, OTC-600, must be submitted to the Oklahoma Tax Commission.
- ◆ If the settlement is requested on grounds A or B, an Application for Settlement of Tax Liability must be accompanied by (1) the appropriate Statement(s) of Financial Condition for Individuals and/or Businesses, and (2) all documentation required to support the facts and figures on those forms.
- ◆ For individual taxpayers that apply for settlement on grounds A or B, proof of employment, income, commissions, fees, pensions, etc., must be provided for the taxpayer, spouse and dependants. Although the taxpayer may be the only person liable for the tax, this information is needed for equitable distribution of cost of living expenses.
- ◆ Applications submitted by individuals who are self employed or are business owners must include Statements of Financial Condition for both individuals and businesses.
- ◆ When Settlement is requested by a business, Statements of Financial Condition for Individuals may also be required of corporate officers or business partners.
- ◆ If the settlement is requested exclusively on grounds C or D, no Statements of Financial Condition is required. Additional documentation in support of the taxpayer's claim may be requested based on individual circumstances.
- ◆ The Account Maintenance Division (the Division) will evaluate the Application and make a recommendation to the Commission to accept or reject the offer. The Division may request additional documentation to verify financial or other information concerning the Application. The Division's financial investigation may require verification of financial data by visual inspection of records and personal interview.
- ◆ The Commission may consider additional circumstances when determining whether to enter a settlement agreement. These circumstances may include, but are not limited to: whether the taxpayer has made efforts in good faith to comply with the tax laws of Oklahoma; whether the taxpayer has benefited from nonpayment of the tax; and involvement of the taxpayer in economic activity from which the liability originated.
- ◆ Power of Attorney must be submitted in all cases where the taxpayers designate another individual to submit their application.



# MAKING AN OFFER FOR SETTLEMENT OF TAX LIABILITY CONTINUED...

## IF THE SETTLEMENT APPLICATION IS ACCEPTED

The Division will notify the applicant by mail if the Application is accepted. Payment of the accepted settlement offer must be made by the payment due date as indicated on the acceptance letter. Any issued and recorded tax lien subject to the accepted settlement amount will be released and mailed upon full payment of the settlement amount. Payment of the settlement amount by cash, cashier's check, money order, or charge to an approved credit card will assure faster release of the lien. Compliance with all terms and conditions of the settlement agreement is required.

In the event the amount abated exceeds \$25,000.00, the settlement agreement must be approved by Oklahoma County District Court. In cases that require district court approval, lien releases will not be issued until the taxpayer provides the Division with a certified copy of the Oklahoma County District Court's order approving the agreement and fulfills all requirements specified in the agreement.

## IF THE SETTLEMENT APPLICATION IS DECLINED

The Division will notify the applicant by mail if the application is declined. The applicant should immediately contact the Oklahoma Tax Commission to arrange payment of the entire liability. If immediate payment of the entire liability is not possible, the applicant may request an installment payment arrangement through the Compliance Division of the Oklahoma Tax Commission. Oklahoma law makes no provision for appeal of a declined Application.

## THE COMMISSION MAY REJECT THE APPLICATION AS NOT PROCESSABLE FOR ANY OF THE FOLLOWING REASONS:

- (1) The applicant is not adequately identified (name, address, ID#, etc.) or required signatures are not provided.
- (2) The settlement offer includes an amount already collected or subject to refund.
- (3) The tax liability is not adequately identified.
- (4) The Application does not include a statement supporting the reason for the settlement.
- (5) Financial statements or other required documentation have not been included or are incomplete.
- (6) The Commission's records indicate noncompliance with filing of required returns.
- (7) The applicant is currently under bankruptcy court jurisdiction.
- (8) Power of Attorney Form BT-129, if required, has not been included.



## OTHER INFORMATION CONCERNING SETTLEMENT OF TAX LIABILITY

- ◆ The Commission may suspend the enforcement of collection while a settlement offer is being considered. Any installment payment arrangement already in effect will be continued while the settlement offer is considered. Interest and penalty will continue to accrue on any unpaid tax debt while the settlement offer is being considered.
- ◆ Any payment made with the Application for Settlement of Tax Liability will be applied to the outstanding liability. Payments will not be refunded if the Application is declined or withdrawn.
- ◆ All information and statements provided by the applicant are subject to verification, and are submitted under oath.
- ◆ Any collection by the Commission prior to approving a Settlement Agreement or any refund to which the Commission is entitled cannot be considered part of the settlement offered.
- ◆ Timely filing of all tax returns is required while the Application is pending and during any pay-out period allowed.
- ◆ Tax liens will be released only after an Application for a Settlement is accepted and all requirements of the settlement agreement are fulfilled.
- ◆ Acceptance of an Offer in Compromise by the Internal Revenue Service does not guarantee acceptance by the State. An Application for Settlement tendered to the Commission will be reviewed and evaluated on its own merits.
- ◆ No information written in this Application shall be construed as granting any legal right to any taxpayer for the settlement of any tax liability. The decision of the Commission in denying a settlement offer shall be final and no right of appeal to any court may be taken from such decision.

**Mail the completed Application along with all supporting schedules and documents to:**

**Oklahoma Tax Commission  
Account Maintenance Division - AMW  
Post Office Box 26800  
Oklahoma City, Oklahoma 73126-0800**



## Oklahoma Tax Commission Application for Settlement of Tax Liability

<b>1. Applicant(s) Name and Address</b> <hr/> <hr/> <hr/> <hr/>	<b>Social Security Number</b> <hr/> <b>Social Security Number</b> <hr/> <b>FEI Number</b> <hr/> <b>County</b> <hr/> <b>Daytime Phone Number</b> (area code and number) <hr/>
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<b>2. Applicant(s) Mailing Address (If different from above)</b> <hr/> <hr/>	<b>3. Applicant(s) Legal Structure</b> <input type="checkbox"/> Individual <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Trust/Estate <input type="checkbox"/> Corporation Officer(s)
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**4. I/We agree to pay** the amount of \$ \_\_\_\_\_ to settle the tax liabilities listed in Section 5 below and will pay this amount in the following manner: (Check One Only)

Paid in full with this agreement. (Make check payable to the "Oklahoma Tax Commission")

A deposit of \$ \_\_\_\_\_ is attached, the balance to be paid within 30 days from acceptance.

The settlement amount will be paid in \_\_\_\_\_ monthly payments of \_\_\_\_\_.

Offers for settlement based on grounds A or B must complete the Worksheet for Calculation of Collection Potential.

5. Description of Tax Liabilities To Be Settled.		
Tax Type	Account Number	Period(s)
<input type="checkbox"/> Individual Income Tax		
<input type="checkbox"/> Sales & Use Tax		
<input type="checkbox"/> Corporate Income Tax		
<input type="checkbox"/> Other (Specify)		

**6. Grounds for settlement:**

A  Collection of the tax with interest and penalties would reasonably result in the taxpayer declaring bankruptcy.

B  The tax liability is uncollectible due to the insolvency of the taxpayer resulting from factors beyond the control of the taxpayer or other similar factors.

C  The tax liability is the result of actions of a person other than the taxpayer and to hold taxpayer liable for the tax liability would be inequitable.

D  In case of "trust fund taxes", the applicant must show that the tax was not collected and that the applicant had a good faith belief that collection of the taxes was not required. (Trust fund taxes collected, but not remitted to the Commission, can not be settled for less than the amount of tax collected.)

**7. If any or all of the amount offered is from a loan or gift, provide the name of the lender or donor.**

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**8. If any or all of the amount offered is from a source other than a loan or gift, provide the name of the source.**

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**9.1 If you marked Grounds A or B on page one, or are requesting a settlement based in part on financial hardship, provide (a) a detailed explanation of the events that resulted in the tax liability, (b) why the tax was not filed and/or paid when it was due, and (c) the circumstances that presently prevent you from paying in full.**

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**9.2 If you marked Grounds C or D on page one, provide a detailed explanation of the nature of the events that resulted in the tax liability. You may also include any other information that supports your grounds for settlement.**

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**10. If you are represented by an attorney, accountant or agent, please provide the following contact information:**

**Name:** \_\_\_\_\_

**Firm:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Phone Number (area code and number)** \_\_\_\_\_

**(Attach Power of Attorney - Form BT-129)**

**11. Disclosure Agreement for Offer in Compromise**

Pending \_\_\_\_\_  
(as of date)

Completed \_\_\_\_\_  
(as of date)

Amount Accepted \$ \_\_\_\_\_ or Declined \$ \_\_\_\_\_

IRS Agent Assigned

Phone Number

Tax Period(s) Covered

Amount Owed

Social Security Number or FEI Number

By my/our signature(s) below, I/we authorize the Oklahoma Tax Commission and the Internal Revenue Service to exchange information from their respective files regarding my/our pending or completed offer in Compromise.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Power of Attorney Signature

\_\_\_\_\_  
Date

**12. Terms and Conditions**

By submitting this Application and signing below, I/we are requesting from the Oklahoma Tax Commission settlement of tax liability as authorized by O.S. 68, Section 219.1. I/we understand and agree to the Terms and Conditions of the Application for Settlement of Tax Liability as follows:

- a) I/We voluntarily submit any payment made with this Application.
- b) The Commission will apply any payment made with the Application to the oldest existing tax liabilities.
- c) If the Commission rejects the Application or if the Application is withdrawn, the Commission will treat any amount paid with the Application as payment toward the outstanding tax liability.
- d) I/We will remain in compliance with all tax return filing and payment provisions of Oklahoma Statutes while this Application is pending and during the period of any subsequent pay plan arrangement.
- e) The Application remains pending until an authorized Commission official issues notification of acceptance or rejection, or until the Application is withdrawn by me/us.
- f) I/We understand that collection activities may continue during the review process, however, the Commission may suspend its collection efforts if the interests of the State will not be compromised.
- g) Payments and refunds applied prior to receipt of the Application by the Commission cannot be considered part of the settlement offer and are not subject to refund.
- h) I/We understand that the tax owed will remain a tax liability until all the terms and conditions of the settlement agreement are met. If I/we file bankruptcy before the terms and conditions of the settlement agreement are completed, any claim the Commission files in a bankruptcy proceeding will be a tax claim.

Under penalty of perjury, I/we declare that the information contained in this Application for Settlement of Tax Liability, Attachments, and Schedules are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Power of Attorney Signature

\_\_\_\_\_  
Date

**Mail to: Oklahoma Tax Commission  
Account Maintenance Division - AMW  
Post Office Box 26800  
Oklahoma City, Oklahoma 73126-0800**

NOTE: If settlement is requested on grounds A or B, the Statement of Financial Condition for Individuals and/or Statement of Financial Condition for Businesses must be completed, signed and attached along with the required supporting documentation. In all cases, additional documentation may be requested for verification of information.



## Oklahoma Tax Commission Statement of Financial Condition for Individuals

The information requested in this statement should include all household income and expense.  
Spouse and dependent information are required although only one person may be liable for the tax.

### Section I - Personal Information

<b>1. Taxpayer's Name(s) and Residence Address</b>  _____ _____ _____ _____ County _____ Do you own <input type="checkbox"/> or rent <input type="checkbox"/> ?	<b>2. Daytime Phone Number</b>  _____	<b>3. Marital Status (Check One)</b> <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced
<b>6. Previous Address If At Current Address Less Than Two Years</b>  _____ _____ _____	<b>4. Social Security Number:</b> Taxpayer: _____ Spouse: _____	<b>5. Date of Birth:</b> Taxpayer: _____ Spouse: _____
<b>7. Income Tax Return Information</b> A. Year of Last Filed Federal Income Tax Return _____ B. Federal Adjusted Gross Income From Last Return \$ _____ C. Year of Last Filed Oklahoma Income Tax Return _____		

### Section II - Employment Information

<b>8. Taxpayer's Employer or Business - Name and Address</b>  _____ _____ _____	<b>9. Employer Phone Number</b>  _____	<b>10. Occupation</b>  _____	
<b>13. Spouse's Employer or Business - Name and Address</b>  _____ _____ _____	<b>11. Length of Employment</b> Years _____ Months _____	<b>12. Work Relationship</b> <input type="checkbox"/> Employee <input type="checkbox"/> Proprietor <input type="checkbox"/> Partner <input type="checkbox"/> Officer	
<b>14. Employer Phone Number</b>  _____	<b>15. Occupation</b>  _____	<b>16. Length of Employment</b> Years _____ Months _____	
<b>17. Work Relationship</b> <input type="checkbox"/> Employee <input type="checkbox"/> Proprietor <input type="checkbox"/> Partner <input type="checkbox"/> Officer			
<b>18. Taxpayer's Part-time and Previous Employment in Last Three Years</b>	<b>19. Spouse's Part-time and Previous Employment in the Last Three Years</b>		
Employer's Name	Employment Dates	Employer's Name	Employment Dates
	To		To
	To		To
	To		To

### Section III - Dependent Information

20. Dependent Name (Other Than Spouse)	Social Security Number	Date of Birth	Relationship	Monthly Income
				\$
				\$
				\$
				\$
				\$

Section IV - Assets							
<b>21. Cash on Hand</b>				<b>TOTAL (Enter also on Page 3, Item 28-A)</b>	\$		
<b>22. Bank or Credit Union Accounts (Checking, Savings, Certificate of Deposit, etc.)</b>							
<b>Name of Institution and Address</b>	<b>Account Number</b>	<b>Type of Account</b>	<b>Balance</b>				
			\$				
			\$				
<b>TOTAL (Enter also on Page 3, Item 28-B)</b>				\$			
<b>23. Investments (Stocks, Bonds, Mutual Funds, IRA, Government Securities, Money Market Funds, etc.)</b>							
<b>Type</b>	<b>Issuer</b>	<b>Quantity or Denomination</b>	<b>Current Value</b>				
			\$				
			\$				
			\$				
<b>TOTAL (Enter also on Page 3, Item 28-C)</b>				\$			
<b>24. Real Property (Personal Residence, Vacation or Second Home, Investment Property, Unimproved Land, etc.)</b>							
<b>Description</b>	<b>Address</b>	<b>Current Market Value</b>	<b>Amount Owed</b>	<b>Equity in Property</b>			
				\$			
				\$			
				\$			
<b>TOTAL (Enter also on Page 3, Item 28-D)</b>				\$			
<b>25. Vehicles - Excluding Leased Vehicles (Including Motor Homes, Campers, Motorcycles, Boats, Trailers, etc.)</b>							
<b>Description</b>	<b>Make</b>	<b>Model</b>	<b>Year</b>	<b>Tag Number</b>	<b>Current Market Value</b>	<b>Amount Owed</b>	<b>Equity in Vehicle</b>
							\$
							\$
							\$
<b>TOTAL (Enter also on Page 3, Item 28-E)</b>							\$
<b>26. Other Assets</b>							
	<b>Current Appraised Value</b>					<b>Current Appraised Value</b>	
Notes Receivable	\$		Furniture/Personal Effects			\$	
Cash Surrender Value of Life Insurance	\$		Jewelry			\$	
Judgments or Settlements Receivable	\$		Timber, Mineral or Drilling Rights			\$	
Vested Retirement Account	\$		Patents or Copyrights			\$	
Collectibles, Antiques or Artwork	\$		Other (Specify)			\$	
<b>TOTAL (Enter also on Page 3, Item 28-F)</b>							\$

**Section V - Liabilities**

**27. Liabilities (Do not include any amounts owed listed in Section IV above)**

Description	Total Amount Owed	Description	Total Amount Owed
Notes Payable	\$	Past Due Other Taxes	\$
Installment or Personal Loans	\$	Vehicle Leases	\$
Education or Student Loans	\$	Other Liabilities	\$
Bank Revolving Credit/Credit Card Debt	\$		\$
Judgements Payable	\$		\$
Past Due Federal Taxes	\$		\$
Past Due State Taxes	\$		\$
<b>TOTAL (Enter also on Page 3, Item 29)</b>			\$

**Section VI - Net Worth Calculation**

**28. Assets**

A. Cash	\$
B. Bank or Credit Union Accounts	\$
C. Investments	\$
D. Real Property	\$
E. Vehicles	\$
F. Other Assets	\$
<b>Total Assets</b>	\$

**29. Liabilities**

\$

**30. Net Worth ("Total Assets" Minus "Liabilities")**

\$

**Section VII - Other Information**

- 31.** Are you currently in filing compliance with all Oklahoma taxes?  Yes  No  
 If "No", identify tax type and period: \_\_\_\_\_
- 32.** If the tax liability was incurred in the operation of a business, has the business been discontinued?  Yes  No  
 Date discontinued: \_\_\_\_\_
- 33.** Have you disposed of any assets or property by sale, transfer, exchange, gift, or in any other manner during the past 18 months?  
 If "Yes", identify: \_\_\_\_\_  Yes  No
- 34.** Is a foreclosure proceeding pending on any real estate that you own or have an interest in?  Yes  No
- 35.** Is anyone holding any assets on your behalf?  Yes  No  
 If "Yes", identify type of assets and value: \_\_\_\_\_ Relationship of asset holder: \_\_\_\_\_
- 36.** Are you a party to any lawsuit now pending?  Yes  No
- 37.** Is there a likelihood that you will receive assets or income from an estate in probate?  Yes  No  
 If "Yes", from whom? \_\_\_\_\_ Relationship: \_\_\_\_\_
- 38.** Have you previously petitioned the Commission for settlement of any tax liability?  Yes  No  
 If "Yes", identify tax type and period: \_\_\_\_\_
- 39.** Are you or any business that you own currently under bankruptcy court jurisdiction?  Yes  No  
 Bankruptcy Case Number: \_\_\_\_\_
- 40.** Do you have income sources other than your business or employer?  Yes  No  
 If "Yes", from whom? \_\_\_\_\_
- 41.** Do you anticipate any increase in household income in the next two years?  Yes  No  
 If "Yes", how much will the income increase? \$ \_\_\_\_\_ Why will it increase? \_\_\_\_\_
- 42.** Do you have credit available on credit cards? (i.e. Visa, MasterCard) If yes, attach schedule indicating the amount available on each card.





OKLAHOMA TAX COMMISSION  
M.C. CONNORS BUILDING  
2501 LINCOLN BOULEVARD  
OKLAHOMA CITY, OKLAHOMA 73194

## STATEMENT OF FINANCIAL CONDITION FOR INDIVIDUALS

I/We have examined this Statement of Financial Condition for Individuals and hereby affirm that to the best of my/our knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Power of Attorney Signature

\_\_\_\_\_  
Date

**(Attach Power of Attorney - Form BT-129)**



## Information for Completing the Statement of Financial Condition for Individuals

### Income Sources

#### Calculating Gross Monthly Wages and Salaries:

- ◆ If paid weekly – multiply weekly gross wages by 4.33
- ◆ If paid bi-weekly (every 2 weeks) – multiply bi-weekly gross wages by 2.17
- ◆ If paid semi-monthly (twice each month) – multiply semi-monthly gross wages by 2

**Salaries, Wages, Pensions and Social Security:** Enter your gross monthly totals from these income sources. Do not deduct payroll withholdings, allotments or other items you elect to take out of your pay, such as insurance payments, credit union deductions, car payments, etc.

**Net Rental Income:** Enter your monthly net rental income. This is the amount remaining after you pay ordinary and necessary monthly rental expenses. If your net rental income is a loss, enter "0". Do not enter a negative number.

All income amounts are to be reported at Gross Amount except Rental Income.

### Monthly Expenses

#### Expenses Generally Not Allowed:

- ◆ Tuition for private secondary schools;
- ◆ Tuition for public or private colleges;
- ◆ Charitable contributions;
- ◆ Voluntary retirement contributions;
- ◆ Payments on unsecured debts such as credit card bills;
- ◆ Other similar discretionary expenses.

Exceptions may be granted for expenses if you can prove that they are necessary for the health and welfare of you or your family or for the production of income.





## Oklahoma Tax Commission Statement of Financial Condition for Businesses

(If additional space is needed, attach separate sheet)

### Section I - Business Identification

<b>1. Business Name and Address</b>		<b>2. Mailing Address (If Different From Street Address)</b>			
_____ _____ _____ County _____		_____ _____ _____			
<b>3. Type of Business</b>		<b>4. Daytime Phone Number</b>	<b>5. Number of Employees</b>		
<b>6. Type of Ownership</b> <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other (Specify)		<b>7. Federal Employer Identification Number / Social Security Number</b>			
<b>8. Beginning Date of Business</b>		<b>9. Ending Date of Business (If Closed)</b>			
<b>10. Last Federal Income Tax Return Filed</b>	Tax Year Beginning	Tax Year Ended	Taxable Income \$		
<b>11. Information About Owner, Partners, Officers, Major Shareholders, etc.</b>					
Name and Address	Social Security Number	Title	Effective Date	Percent of Ownership Interest	Monthly Salary or Wage
					\$
					\$
					\$
					\$

### Section II - Assets

<b>12. Cash On Hand</b>	<b>TOTAL (Enter also on Page 3, Item 24-A)</b>	\$		
<b>13. Bank Accounts (General Operating, Payroll, Savings, Certificate of Deposits, etc.)</b>				
Name and Address	Account Number	Type of Account	Balance	
			\$	
			\$	
			\$	
<b>TOTAL (Enter also on Page 3, Item 24-B)</b>			\$	
<b>14. Bank Credit Available (Line of Credit, etc.)</b>				
Name of Institution and Address	Account Number	Credit Line	Amount Owed	Credit Available
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-C)</b>				\$

**Section II - Assets (continued)**

**15. Real Property (Including Investment Property, Unimproved Land, etc.)**

Description	Address	Current Market Value	Amount Owed	Equity in Property
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-D)</b>				\$

**16. Vehicles (Excluding Leased Vehicles)**

Description	Make	Model	Year	Tag Number	Current Market Value	Amount Owed	Equity in Vehicle
					\$	\$	\$
					\$	\$	\$
					\$	\$	\$
					\$	\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-E)</b>							\$

**17. Accounts Receivable**

Name	Date Due	Status	Amount Due
			\$
			\$
			\$
			\$
<b>TOTAL (Enter also on Page 3, Item 24-F)</b>			\$

**18. Loans From Business To Proprietor, Partners, Officers, Shareholders or Others**

Name	Relationship	Payoff Date	Status	Amount Due
				\$
				\$
				\$
				\$
<b>TOTAL (Enter also on Page 3, Item 24-G)</b>				\$

**19. Machinery and Equipment (Including Furniture, Fixtures, Business Machines, etc.)**

Description	Current Market Value	Amount Owed	Equity in Mach. and Equip.
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-H)</b>			\$

**20. Merchandise Inventory (Goods Held for Sales and/or Raw Materials Used in Manufacture Fabricaton of Production)**

Description	Current Market Value	Amount Owed	Equity in Inventory
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-I)</b>			\$

## Section II - Assets (continued)

## 21. Investments (Stocks, Bonds, Mutual Funds, Government Securities, Money Market Funds, etc.)

Type	Issuer	Quantity or Denomination	Current Value
		\$	\$
		\$	\$
		\$	\$
		\$	\$
<b>TOTAL (Enter also on Page 3, Item 24-J)</b>			\$

## 22. Other Assets

Type	Current or Appraised Value	Description	Current or Appraised Value
			\$
			\$
			\$
			\$
<b>TOTAL (Enter also on Page 3, Item 24-K)</b>			\$

## Section III - Liabilities

## 23. Liabilities

Description	Total Amount Owed	Description	Total Amount Owed
Notes Payable (not secured by assets)	\$	Past Due Federal Taxes	\$
Loans Payable (not secured by assets)	\$	Past Due State Taxes	\$
Vehicle Leases (not listed above)	\$	Past Due Other Taxes	\$
Equipment Leases (not listed above)	\$	Other Liabilities:	\$
Judgements Payable	\$		\$
	\$		\$
<b>TOTAL (Enter also on Page 3, Item 25)</b>			\$

## Section IV - Net Worth Calculation

## 24. Assets

A. Cash	\$
B. Bank Accounts	\$
C. Bank Credit Available	\$
D. Real Property	\$
E. Vehicles	\$
F. Accounts Receivable	\$
G. Loans From Business to Proprietor, Partners, Officers, Shareholders or Others	\$
H. Machinery and Equipment	\$
I. Merchandise Inventory	\$
J. Investments	\$
K. Other Assets	\$
Total Assets	\$
<b>25. Liabilities</b>	\$
<b>26. Net Worth ("Total Assets" Minus "Liabilities")</b>	\$

**Section V - Income and Expense Analysis**

**27. Average Monthly Business Income and Expenses** for the Periods Beginning \_\_\_\_\_ and Ending \_\_\_\_\_

Accounting Method: (Check One)     Cash     Accrual    Other: \_\_\_\_\_

Income	Amount	Expenses	Amount
Gross Receipts from Sales, Services, etc.	\$	Materials Purchased	\$
Gross Rental Income	\$	Net Wages and Salaries	\$
Interest and Investment Income	\$	Rent or Mortgage Expenses	\$
Dividends and Capital Gain Distribution	\$	Installment and Lease Payments	\$
Royalty Income	\$	Supplies and Office Expenses	\$
Commissions	\$	Utilities	\$
Other Income (Specify)	\$	Transportation Expenses	\$
	\$	Repairs and Maintenance	\$
	\$	Insurance	\$
	\$	Current Taxes	\$
	\$	Bad Debts	\$
	\$	Travel and Entertainment	\$
	\$	Advertising	\$
	\$	Other Expenses (Specify)	\$
	\$		\$
Total Income	\$	Total Expenses	\$

**28. Average Monthly Net Income (Income minus Expenses)** \$

**Section VI - Other Information**

**29.** Is this business currently in filing compliance with all Oklahoma taxes?  
 Yes     No    If "No", identify tax type(s) and period(s): \_\_\_\_\_

**30.** Has this business disposed of any assets or property by sale, transfer, exchange, gift, or in any other manner during the past 18 months?  
 Yes     No    If "Yes", receiving party: \_\_\_\_\_

**31.** Is a foreclosure proceeding pending on any real estate, equipment or other property that this business owns or has an interest in?  
 Yes     No

**32.** Is another party holding any assets on behalf of this business?  
 Yes     No    If "Yes", identify: \_\_\_\_\_

**33.** Is this business a party to any lawsuit now pending?  
 Yes     No

**34.** Is this business currently under bankruptcy court jurisdiction?  
 Yes     No    If "Yes", Bankruptcy Case Number: \_\_\_\_\_

**35.** Does the business have credit available on credit cards? (i.e. Visa, MasterCard, American Express) If yes, attach a schedule of available credit.  
 Yes     No



OKLAHOMA TAX COMMISSION  
M.C. CONNORS BUILDING  
2501 LINCOLN BOULEVARD  
OKLAHOMA CITY, OKLAHOMA 73194

## STATEMENT OF FINANCIAL CONDITION FOR BUSINESSES

I/We have examined this Statement of Financial Condition for Businesses and hereby affirm that to the best of my/our knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Power of Attorney Signature

\_\_\_\_\_  
Date

**(Attach Power of Attorney - Form BT-129)**

## Worksheet for Calculation of Collection Potential

This worksheet is used to assist in calculating collection potential, and may be used as a basis for the settlement amount offered in Section Four of the Application For Settlement of Tax Liability. Statement(s) of financial condition, Form OTC-600-A for individuals and Form OTC-600-B for businesses, should be completed before calculating the amount of collection potential.

**Before calculating collection potential, deduct monthly state tax payment amounts from expenses used to determine disposable income, and deduct the amount of the state tax debt from liabilities used to determine net worth.**

If the settlement will be paid within 90 days, use the totals from Column A.

If the settlement will be paid in more than 90 days but less than two years, use the totals from Column B.

### For Individuals

**A**

**B**

1) Net Monthly Household Disposable Income	\$	\$
2) Multiply line 1 by:	x48	x60
3) Income Potential	=	=
4) Net Worth	+	+
5) Total Collection Potential (line 3 plus 4)	=	=

**Note:** Use \$0.00 on Line 1 if the net income calculated on Form OTC-600-A is a negative amount. Use \$0.00 on Line 4 if the net worth calculated on Form OTC-600-A is a negative amount.

### For Businesses

6) Average Monthly Net Business Income	\$	\$
7) Multiply line 1 by:	x48	x60
8) Income Potential	=	=
9) Net Worth	+	+
10) Total Collection Potential (line 8 plus 9)	=	=

**Note:** Use \$0.00 on Line 6 if the net income calculated on Form OTC-600-B is a negative amount. Use \$0.00 on Line 9 if the net worth calculated on Form OTC-600-B is a negative amount.

### For Self-Employed Individuals and Business Owners

(Amounts may need to be adjusted to avoid duplication of asset and income values.)

11) Total Value for Individuals (line 5 above)		
12) Total Value for Businesses (line 10 above)	+	+
13) Total Collection Potential (line 11 plus 12)	=	=



## Oklahoma Tax Commission Application for Settlement of Tax Liability Document Checklist

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**An application submitted pursuant to the provisions of Title 68 O.S. Section 219.1 will require an in-depth analysis of your financial condition. To expedite this process, it is necessary that you provide the following additional information and documents along with your initial application.**

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- Provide proof of gross earnings, pension, social security and other income, including statements showing deductions for the past three months.
- Provide copies of federal income tax returns for three most current years, and copy of your IRS Offer-in-Compromise agreement.
- Provide copies of bank statements for all checking and savings accounts, personal and business, for the three most current periods.
- Provide copies of statements, showing the value of your interest in all retirement accounts, pensions, and profit sharing plans for the three most current periods.
- A list of all stocks, bonds, and/or other securities you own, along with the current market value for each. Provide the most current brokerage statements where available.
- A statement from the insurance company for each life insurance policy showing the current cash loan value, accumulated dividends and interest, dates and amounts of policy, loans, and the amount of loan.
- Statements for all mortgages of real estate you own or have interest in. Also appraisals, if any, on all real estate you own or have interest in.
- Statement from lending institutions and other creditors that clearly indicates current balances owed, and payment schedules on all notes payable and/or revolving accounts.
- A complete inventory of the content of all safe deposit boxes in which you have an interest, including fair market value of each item, copies of documents, etc.
- Copies of any judgements or legal decrees, (excluding bankruptcy), for past six years.
- Copies of medical bills not covered by insurance and documentation from insurance company indicating the items are not covered.
- Copies of expenses including utilities, rent, insurance, property taxes for last ninety days.
- A list of all your business equipment, office furniture, and other business assets, including fair market value of each item, copies of documents, etc.
- A list of all accounts and loans receivable, showing the payer, amount due, age, and status of each account.

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**Return this document checklist with your Application For Settlement of Liability, Statement(s) of Financial Condition and Worksheet for Calculation of Collection Potential (if needed). For any item above that is not required, mark "NA".**



OKLAHOMA TAX COMMISSION  
M.C. CONNORS BUILDING  
2501 LINCOLN BOULEVARD  
OKLAHOMA CITY, OKLAHOMA 73194

**AUTHORIZATION TO RELEASE FINANCIAL DATA**

\_\_\_\_\_  
Taxpayer 1 Name

\_\_\_\_\_  
Taxpayer 2 Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
DBA

\_\_\_\_\_  
DBA

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Federal Employer Identification Number

\_\_\_\_\_  
Federal Employer Identification Number

**To Whom It May Concern:**

You have my authorization to release any financial data that pertains to me or my company to the Oklahoma Tax Commission.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Sworn to and subscribed before me on the date of first above written.

\_\_\_\_\_  
(Notary Public)

My commission expires: \_\_\_\_\_







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## LOOKING FOR ADDITIONAL INFORMATION?

No matter what the tax topic, from ad valorem taxes to sales tax rates to tag agent locations, the Oklahoma Tax Commission invites you to visit us on the web at [www.tax.ok.gov](http://www.tax.ok.gov) to get any additional information you might need.

Not only will you find forms, publications, motor vehicle information and everything in between, but you are also able to reach us through the "Contact" link on each page.

### STILL CAN'T FIND WHAT YOU NEED?

Contact our Taxpayer Service Center at (405) 521-3160.

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Oklahoma Tax Commission  
Account Maintenance Division AMW  
Post Office Box 26800  
Oklahoma City, Oklahoma 73126-0800

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Oklahoma City, OK 73194  
Permit Number 548

A large, light green watermark seal of the State of Oklahoma is visible in the background, partially overlapping the text. It features the same five-pointed star and circular border as the smaller seal in the top left, with the text "THE GREAT SEAL OF THE STATE OF OKLAHOMA" and the year "1907".