



**Item 6 – To: Assistant Commissioner of Revenue**

I/We submit this offer to compromise the tax liabilities plus any interest, penalties, additions to tax, and additional amounts required by law for the tax type and period marked below. Mark an “X” in the box by the correct type of tax and list the period(s) included in your offer.

**Individual Income Tax – List Year(s)**


**Withholding Tax – List Months and Years**


**Sales/Use Tax – List Months and Years**


**Other Tax(es)**

Type(s)

Months/Years


Note: If you need more space, attach a separate page.

**Item 7 – Bankruptcy**

List all prior bankruptcies. Attach separate sheet if needed. Please list NA, if not applicable.

Date Filed

Docket Number

Date of Discharge or Dismissal


**Item 8 – Why is a payment plan (equal monthly payments over specified period of time) not an option to settle this liability?**


**Item 9 - I/we submit this offer for the reason(s) checked below:**

**Controversy Over Amount of Tax Due** – “I do not believe I owe this amount.” You must include a detailed explanation of the reasons why you believe you do not owe the tax.

**Insolvency** – “I have insufficient assets and income to pay the full amount.” **REFER TO CHECKLIST FOR ADDITIONAL ITEMS THAT MUST BE SUBMITTED WITH THIS FORM.**

**Item 10 – Amount of offer.**

I/we offer to pay \$\_\_\_\_\_. This amount cannot be zero or practically zero and must be reasonable for the State to accept, consistent with your financial circumstances.

Paid with this offer. This payment is not deemed to be a payment on a payment plan agreement or settlement of any kind. It will be accepted as a good faith payment and applied to the outstanding tax debt previously detailed in this form.

Paid in full within 30 days of acceptance of this offer by the Arkansas Department of Finance and Administration.

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**Note:** Make all checks payable to: Arkansas Department of Finance and Administration. Payments other than cash must be made with certified funds, such as a cashier’s check or money order. Payment by credit card is available for individual income tax only.

List the source of the funds in Item #10 on the line below:


**By submitting this offer, I/we understand and agree to the following condition:**

I/We understand that I/we remain responsible for the full amount of the tax liability, unless and until the Department of Finance and Administration accepts the offer in writing and I/we have met all the terms and conditions of the offer. The Department will not remove the original amount of the tax liability from its records until I/we have met all the terms of the offer.

## Explanation of Circumstances

(Individual Taxpayer/ Business Taxpayer)

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Please explain why the Department of Finance and Administration should consider this Offer in Compromise. Please include a statement as to why tax was not collected or remitted for the period for which the offer is being made. If any liabilities listed on the financial statements (433 A/B forms) are the result of debts to family members, please specifically detail the nature of the debt and the family relationship. *Use the space below and attach additional sheets if necessary.*


\_\_\_\_\_  
Taxpayer's or Business Name (printed)

\_\_\_\_\_  
Prepared by (if other than taxpayer)

\_\_\_\_\_  
Signature of Taxpayer or Business Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Corporate Title (if applicable)

\_\_\_\_\_  
Spouse's Name (if applicable) (printed)

\_\_\_\_\_  
Signature of Spouse (if applicable)

\_\_\_\_\_  
Date

<b>Instructions for the Form 2000-4, Settlement or Compromise of Tax Liability</b>
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**Item #**

1. Complete if offer is for individual, partnership, or closely held corporation.
2. Complete if the offer is for a business debt in the form of a Sole proprietorship, Corporation, LLC, Partnership, or S Corporation.
3. Self explanatory.
4. Complete if the offer is for Sales tax owed. If this number is not known, please call 501-682-1895 for assistance.
5. Complete if the offer is for Withholding tax, Income tax, or, if applicable, for other taxes.
6. Check the appropriate box and list the months/years of debt owed to the Department. Attach a separate sheet if necessary. A copy of a Sales Tax Transcript, showing all periods due, will suffice if the type of tax due is Sales tax.
7. Complete if taxpayer filed bankruptcy. If not, list NA.
8. This question must be answered. Please use an additional sheet if necessary.
9. Check the appropriate box. If Controversy over Amount of Tax due, an explanation must be enclosed with the offer as to what part of the law the controversy is based.
10. Enter the amount that can be paid with the offer or within 30 days of the offer. The amount entered cannot be zero. If this item is not completed, the offer will not be reviewed. It will be considered an incomplete offer and will be withdrawn. In the space provided in the note, include a statement identifying the source of the funds that are being used in the Offer in Compromise such as, borrowed money from bank, withdrew savings, etc. The amount must be paid with certified funds payable to the Department of Finance and Administration.

**Waiver of Penalty and or Interest.** If the Form 2000-4 is submitted only for the purpose of waiver of penalty and or interest only the four pages must be completed. You must include on the explanation of circumstances page the reason the waiver is being requested and the facts and circumstances that caused the penalty and or interest to be assessed.

**Explanation of Circumstances.** This page must be completed. Failure to complete this will result in the offer not being reviewed. A separate page can be attached if necessary. This form must be signed and dated. If the offer is for income tax filed by a taxpayer and spouse, both must sign the offer. If the offer is for a business, an owner and/or a corporate officer must sign and date the form. If someone other than the taxpayer prepared the 2000-4 form, please indicate this in the space provided and attach a Power of Attorney.

## Arkansas Department of Finance and Administration Offer in Compromise Checklist

- If the Offer requests abatement of penalty and interest only or is submitted under “Controversy over Amount of tax due,” submit items #1 and #11.
- If the Offer is submitted under “Insolvency,” submit all items listed below.

**Failure to include ALL requested documents will cause your offer to be withdrawn from review.**

- 1. Completed Offer in Compromise Form 2000-4.
- 2. IRS form 433A and/or 433B. 433A is completed for an individual and/or sole proprietor and 433B is completed for a business. Please complete both forms if the offer is for a partnership, single member LLC, or closely held corporation.
- 3. Copy of the last two (2) years federal and state income tax returns, if required to file. If not required to file, please state reasons why below and include the last two (2) years income and financial statements.
- 4. Copy of last three paycheck stubs or other income (i.e., pension, social security, alimony, or rental) if applicable.
- 5. Copy of bank statements with check copies or images for the last 6 months (or 12 months if tax due is over \$25,000), as well as any other financial institution statements for which you have check writing authority.
- 6. Credit report less than 30 days old.
- 7. IRS information, if applicable, copy of IRS Offer in Compromise and acceptance letter or other IRS arrangements.
- 8. Affidavit concerning real and personal property transfers within last two (2) years.
- 9. Copy of most recent real property and personal property tax assessments.
- 10. Order of Discharge from Bankruptcy, if applicable, complete copy of petition and schedules, and Statement of Intent for Chapter 7.
- 11. Power of Attorney, if applicable.

Complete and include this checklist with the application. Additional information may be requested after receipt of the Offer in Compromise. Mail your completed and signed application with the documents listed above to the address listed on Page 1 of Form 2000-4.