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Achieving 'Temporarily Uncollectible' Status Offers Hope to Poverty-Level Delinquent Taxpayers

Tax Resolution Services, Co. (TRS), urges consumers owing back taxes to seek the help of a professional to negotiate this classification with the IRS.

Encino, CA—The continuing economic distress has plunged more than 46 million Americans below the official poverty line as of 2010, the largest number of people since the government first started publishing estimates in 1959. Moreover, says Michael Rozbruch, founder and CEO of [Tax Resolution Services, Co. \(TRS\)](#), the nation's leading experts in tax negotiation and mediation®, "The economy is worse now than when the recession was at its worst in 2009. This correlates directly to the increase we're seeing in people experiencing tax problems."

For consumers who currently owe back taxes, or other tax debt, and now find themselves newly poor, the next steps may seem unclear. Do they owe taxes for the current year? Do they still owe the back taxes? And what about the interest and penalties that continue to accrue on the back-tax liability?

The answers are not always simple. While consumers who fall below the poverty line generally do not have to pay taxes for that tax year, they still owe any back-tax monies outstanding from previous years. Interest and penalties continue to accrue. And the IRS will come after any delinquent taxpayer, even if they are now classified as poor.

Although this prognosis seems bleak, Rozbruch points out that there are solutions for [tax problems](#), including placing consumers in an [installment agreement](#) to pay off tax debt in increments over time, or settling with the IRS on a set, lower sum through its [Offer in Compromise](#) program. Another option is to negotiate a "temporarily uncollectible" status with the IRS in which the IRS will grant consumers a reprieve from making payments on back taxes owed for a specified period.

"If you can honestly prove to the IRS through documentation that the collection of back taxes would cause an undue hardship, your case could be classified as 'temporarily uncollectible,' and the IRS will stop any enforcement proceedings against you," Rozbruch explains. "You can't simply file for this status, you must negotiate it with the IRS, and that is not something the average consumer should do on his or her own." While the back-tax reprieve is only temporary, qualified and experienced Certified Tax Resolution Specialists or tax attorneys can negotiate the best possible overall solution to permanently resolve a consumer's tax liability issues.

Tax Resolution Services, Co.®, the nation's leading experts in tax negotiation and mediation®, is dedicated to providing affordable solutions to businesses and individuals alike who find themselves in trouble with the IRS. Their work caters to consumers who owe over \$20k in [back taxes](#). TRS is a member of the Tax Problem Resolution Services Coalition (TPRSC), based out of Washington, D.C. For more

information or to receive a FREE tax relief consultation, visit www.TaxResolution.com
or call 888-851-5894.