



**State of California
Franchise Tax Board**

3561 BOOKLET

INSTALLMENT AGREEMENT

If you have a financial hardship and cannot pay your tax in full, you may be eligible to make monthly installment payments. If we approve your request, we agree to let you pay the tax you owe in monthly installments instead of immediately paying the amount in full. In return, you agree to make your monthly payments through electronic funds transfer (EFT). EFT allows you to automatically make payments to the Franchise Tax Board by a direct transfer of funds from your bank account (checking or savings).

By requesting an installment agreement, you also agree to meet all your future tax liabilities. This means that you must have adequate withholding or estimated tax payments so that your tax liability for future years is paid in full when you file your return timely. If you do not make your payments on time or have an outstanding past due amount in a future year, you will be in default on your agreement and we may take enforcement actions to collect the entire amount you owe. If you are employed, we suggest that you check your W-4 or DE-4 on file with your employer to be sure that your withholding rate is correct. If you have income from other sources, be sure that your estimate payments are adequate.

WHAT YOU SHOULD KNOW IF YOU ARE APPROVED FOR AN INSTALLMENT AGREEMENT

- If we approve an installment agreement, your payment will be automatically deducted from your bank account.
- Additional interest and some penalties will continue to accrue while you make your scheduled payments.
- You should contact your employer if you need to adjust your W-4 form to ensure that your tax is covered each year. You may need to change your W-4 form to ensure enough money is being withheld to pay any future tax.
- We will keep any state tax refund you are due and deduct it from the total amount you owe, but it **will not** replace your monthly payment.
- We may file a state tax lien to protect the state's interest until you pay off your balance (Government Code Section 7170-7173). Your credit record may reflect the lien.



INFORMATION WILL BE VERIFIED (FILL OUT FINANCIAL STATEMENT COMPLETELY)

Taxpayer: _____ Address: _____ City: _____ State: _____ ZIP: _____ Driver License Number: _____	Phone Numbers (Circle best daytime number): Home: _____ Work: _____ Spouse's Work: _____ Personal Fax: _____		
Spouse: _____ Address: _____ City: _____ State: _____ ZIP: _____ Driver License Number: _____	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"> Social Security Numbers: Taxpayer: _____ Spouse: _____ </td> <td style="width:50%;"> Date of Birth: Taxpayer: _____ Spouse: _____ </td> </tr> </table>	Social Security Numbers: Taxpayer: _____ Spouse: _____	Date of Birth: Taxpayer: _____ Spouse: _____
Social Security Numbers: Taxpayer: _____ Spouse: _____	Date of Birth: Taxpayer: _____ Spouse: _____		

LIST ALL DEPENDENTS AND NON-RELATIVES LIVING WITH YOU If additional space is needed, attach a separate sheet.

Name: _____ Age: _____ Relationship: _____	Name: _____ Age: _____ Relationship: _____
Name: _____ Age: _____ Relationship: _____	Name: _____ Age: _____ Relationship: _____
Name: _____ Age: _____ Relationship: _____	Name: _____ Age: _____ Relationship: _____

EMPLOYMENT INFORMATION

TAXPAYER	SPOUSE
Employer/Business Name: _____	Employer/Business Name: _____
Address: _____	Address: _____
City: _____ State: _____ ZIP: _____	City: _____ State: _____ ZIP: _____
Employer/Business Phone Number: _____	Employer/Business Phone Number: _____
Employer/Business Fax Number: _____	Employer/Business Fax Number: _____
Occupation/Profession: _____	Occupation/Profession: _____
How long employed: _____	How long employed: _____
Marital status on your W-4: <input type="checkbox"/> Single <input type="checkbox"/> Married	Marital status on your W-4: <input type="checkbox"/> Single <input type="checkbox"/> Married
Number of exemptions you claim: _____	Number of exemptions you claim: _____

BANK ACCOUNTS Include Savings & Loans, Credit Unions, CD's, IRA's. If additional space is needed, attach separate sheet.

Name of Institution	Address	Type of Account (Checking/Savings) (Joint/Separate)	Account No.	Balance

REAL ESTATE If additional space is needed, attach separate sheet.

Address/County of Property	Date Purchased	Current Value	Mortgage Balance	Paid to: (Lender Name)

MOTOR VEHICLES If additional space is needed, attach a separate sheet.

Year, Make, and License Number	Date Purchased	Current Value	Loan Balance	Date Loan Will Be Paid Off
1. _____				
2. _____				
3. _____				

LIFE INSURANCE If additional space is needed, attach a separate sheet.

Name of Company	Amount You Can Borrow on Policy	Name of Company	Amount You Can Borrow on Policy

OTHER ASSETS Things you own or are buying, such as stocks, bonds, boats, etc. If additional space is needed, attach a separate sheet.

Description	Current Value	Loan Balance	Date Loan Will Be Paid Off

MONTHLY INCOME AND EXPENSES ARE BASED ON ALL MEMBERS OF THE HOUSEHOLD

MONTHLY INCOME		FTB USE ONLY	
Net Pay (amount you take home from wages and/or self employment)	\$ _____	_____	
Spouse's Net Pay (amount spouse takes home from wages and/or self employment. If self employed, see PAGE 3)	\$ _____	_____	
Rents Received	\$ _____	_____	
Pensions	\$ _____	_____	
Disability/Social Security	\$ _____	_____	
Commissions	\$ _____	_____	
Other income <input type="checkbox"/> Dividends <input type="checkbox"/> Interest <input type="checkbox"/> Child Support <input type="checkbox"/> Royalties <input type="checkbox"/> Alimony <input type="checkbox"/> Other (List: _____)	\$ _____	_____	
Income contributed from other people living in your home	\$ _____	_____	
TOTAL MONTHLY INCOME	\$ _____	_____	
MONTHLY EXPENSES (Expenses must be reasonable for the size of your family, location, and circumstances)			
<input type="checkbox"/> Homeowner <input type="checkbox"/> Renter Amount of payment	\$ _____	_____	
Payments made to: _____			
Address: _____			
City/State/ZIP _____ Phone: _____			
Alimony/Child Support (If payroll deduction, do not list)	\$ _____	_____	
Groceries	\$ _____	_____	
Childcare/Daycare	\$ _____	_____	
Utilities: Electricity, Heat, Water, Sewer	\$ _____	_____	
Telephone	\$ _____	_____	
Transportation (Number of miles to and from work _____)	\$ _____	_____	
Doctor and medical bills not paid by insurance (Total Due _____) .	\$ _____	_____	
Insurance (not paid through payroll deduction)			
Vehicle	\$ _____	_____	
Health	\$ _____	_____	
Life	\$ _____	_____	
Homeowners/Renters	\$ _____	_____	
IRS Installment Agreement (Total Amount Due _____)	\$ _____	_____	
Quarterly Estimate Payments: Federal _____ State _____ .	\$ _____	_____	
Vehicle Payments (List Lien Holder)			
1. _____	\$ _____	_____	
2. _____	\$ _____	_____	
3. _____	\$ _____	_____	
CREDIT OBLIGATIONS			
<u>NAME OF CREDITOR/CARD</u>	<u>CREDIT LIMIT</u>	<u>AMOUNT OWED</u>	<u>AVAILABLE CASH ADVANCE</u>
1. _____	_____	_____	\$ _____
2. _____	_____	_____	\$ _____
3. _____	_____	_____	\$ _____
4. _____	_____	_____	\$ _____
5. _____	_____	_____	\$ _____
6. _____	_____	_____	\$ _____
7. _____	_____	_____	\$ _____
OTHER EXPENSES (List all other personal obligations not included above)			
1. _____	\$ _____	_____	_____
2. _____	\$ _____	_____	_____
3. _____	\$ _____	_____	_____
TOTAL MONTHLY EXPENSES	\$ _____	_____	_____
MONTHLY PAYMENT PROPOSAL	\$ _____	_____	_____
(Begin making payments NOW. You will be notified of our decision.)			

Do you expect changes to income (and/or) health that may change your monthly expenses? If yes, explain: _____

Have you filed bankruptcy? YES NO If yes, complete the following:
District: _____ Case Number: _____ Chapter Number: _____
Judge's Name: _____ Petition Date: ____/____/____ Discharge Date: ____/____/____
Attorney's Name: _____ Attorney's Phone Number:() _____ - _____

DOCUMENTATION

You must submit the following documentation with your financial statement. **An installment agreement may be delayed if all required documentation is not included.**

1. Verification of income and expenses **for the past three months:**

- Copies of all pay stubs and statements of any other income.
- Copies of IRS tax payments for delinquent taxes and estimate payments.
- Copies of alimony and child support payments.

In addition, **if self employed:**

- Current balance sheet and income statements.
- Annual balance sheets and income/expense statements for the last two years (such as IRS FORM 1040 Schedule C).
- Current list of accounts receivable (names, addresses, and balance due statements).
- Current list of notes receivable (names, addresses, and balance due statements).

2. Bank information **for the past three months:**

- Bank statements for all personal and/or business accounts.

3. Tax Returns:

- We cannot process the installment agreement until all past due returns are filed.

4. Other:

- Documentation and explanation of other household expenses that may exceed a reasonable amount.

If we approve your request, we agree to let you pay the tax you owe in monthly installments instead of immediately paying the amount in full. In return, you agree to make your monthly payments through electronic funds transfer (EFT). Additional information and instructions about EFT will be sent to you if your installment agreement is approved.

Under penalty of perjury, I declare that to the best of my knowledge and belief this statement of assets, liabilities and other information is true, correct and complete. I understand that a state tax lien may be filed (Government Code Section 7170-7173). I also understand that future state income tax returns must be filed when due and the tax liability paid in full or my installment agreement will be cancelled.

TAXPAYER'S SIGNATURE

SPOUSE'S SIGNATURE

DATE

FRANCHISE TAX BOARD PRIVACY NOTICE

The Franchise Tax Board considers the privacy of your tax information to be of the utmost importance.

Your Rights:

You have a right to see our records that contain your personal information, and we must tell you why we ask for your tax information and to whom we may provide that information.

Your Responsibility

If you meet certain income requirements, the California Revenue & Taxation Code requires you to file a return on the forms we prescribe (see Sections 18501 and 18621). When you file these forms and related documents, you must include your social security number for identification and return processing (Section 18624).

Reasons for Information Requests:

We ask for return information so that we can administer the tax law fairly and correctly. We may request additional information to resolve audit or collection issues. It is mandatory that you furnish all requested information.

If you do not file a return, do not provide the information we ask for, or if you provide fraudulent information, the law states you may be charged penalties and interest, and in certain cases you may be criminally prosecuted. We also may disallow claimed exemptions, exclusions, credits, deductions, or adjustments. This could increase your tax liability, or delay or reduce any refund.

Information Disclosure:

We may give the information you furnish us to the Internal Revenue Service, the proper official of any state imposing an income tax or

a tax measured by income, the Multistate Tax Commission, and California government agencies and officials, as provided by law. If you owe the Franchise Tax Board money, the amount due may be disclosed to employers, financial institutions, county recorders, vacation trust funds, process agents, or others who hold assets belonging to you.

Responsibilities for the Records:

The Chief, Filing Division, maintains filing records. The Assistant Executive Officer, Audit Branch, maintains auditing records. The Chief, Accounts Receivable Management Division, maintains collection records. Our address is: Franchise Tax Board, PO Box 942840, Sacramento CA 94240-1040. Our telephone number within the United States is (800) 852-5711, and outside the United States, (916) 845-6500.

TAXPAYERS' BILL OF RIGHTS

The California Taxpayers' Bill of Rights Act ensures that the rights, privacy and property of California taxpayers are adequately protected during the process of assessing and collecting taxes.

If we take property and you believe our action is improper, you have the right to a hearing. During the hearing you may provide us information to change or stop our levy or to stop the sale of your property.

If you believe that our action in filing a lien was in error, you may request that the Franchise Tax Board send a "Notice of Error" to the credit reporting companies in the county where we filed the lien.

If we terminate your installment payment agreement, we must notify you in writing 30 days prior to the termination.

If we seize your bank account in error, we can reimburse you for bank charges caused by our error. You must file your claim within 90 days of the date we filed the levy.

If you have any questions concerning our collection process or procedures, please call the phone number listed below.

ASSISTANCE

If you have questions about installment agreements, please call us at (916) 845-7044. Our representatives are available Monday through Friday, 8 a.m. to 5 p.m. If you are hearing impaired, call the TDD line (800) 822-6268.

We have a Taxpayer Advocate who reviews those cases when taxpayers have been unable to resolve their problems with our department through normal channels. You may contact the Advocate by writing to:

Taxpayer Advocate Bureau
PO Box 157
Rancho Cordova CA 95751-0157
FAX (916) 845-6614

You may also email the Advocate at <http://www.ftb.ca.gov>.

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PLACE ADDRESS
LABEL HERE