



# Statement of Financial Condition

Complete Form DTF-5 and include it with your request for a payment plan, offer in compromise, or other proposal. Form DTF-5 must be completed for **each taxpayer** assessed, except for **joint taxpayers**, where both spouses may submit one Form DTF-5. For a business, a Form DTF-5 is required for that business, **and for each individual** assessed as a responsible person. To make an offer in compromise, you must include a completed Form DTF-5 for each taxpayer who submits either a:

- Form DTF-4.1, *Offer in Compromise for Fixed and Final Liabilities*, or
- Form DTF-4, *Offer in Compromise for Liabilities Not Fixed and Final, and Subject to Administrative Review*.

You must answer all questions and provide all required attachments listed on page 10. If a question does not apply, mark an **X** in the *Not applicable* box, or enter **N/A**. If you need additional space, attach sheets and label them accordingly.

## • Taxpayer information

Name of taxpayers: individuals or business	Date of birth	Social Security number
	Spouse's date of birth	Spouse's Social Security number
	Employer identification number (EIN)	

Home address	Telephone number
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Mailing address (if different from above, or if a PO Box number is used)

Business address	Telephone number
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Mailing address (if different from above, or if a PO Box number is used)

Employer's name, address, and telephone number

Spouse's employer's name, address, and telephone number

Do you or your spouse have any business interests? (filed federal schedules C, E, F, etc.) ..... Yes  No

If Yes, enter details on page 5.

## All other persons in your household or claimed as dependents

Name	Age	Relationship	Social Security number	Can be claimed as a dependent?	Contributes to household income?
				Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

## • Taxpayer's representative information

I have no representative

Name of representative, if any (attach Form POA-1, Power of Attorney, if required)	Telephone number
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Address

Attach additional sheets if necessary.

● **Assets** As of \_\_\_\_\_  
Date

Enter the balance for each of the following, using the most current value. If any of the following amounts are **negative**, enter 0.

<b>Cash on hand</b>	<b>Box (A) – Total cash on hand</b> (also enter on page 7, line 1)	\$	<b>(A)</b>
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**Bank accounts** (domestic and foreign) Not applicable

Name of financial institution	Type*	Account number	Balance

<small>* Type may include: checking, savings, money market, stored value cards, etc.</small>	<b>Box (B) – Total balance</b> (also enter on page 7, line 2)	\$	<b>(B)</b>
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Do you rent a **safe deposit box** in your name, or in any other name? ..... Yes  No

If Yes, give name and address of bank: \_\_\_\_\_

**Brokerage accounts** Not applicable

Institution or brokerage name	Type*	Account number	Market value	Less: Loans, if any	Net value

<small>* Type may include: stocks, bonds, other investments, etc.</small>	<b>Box (C) – Total net value</b> (also enter on page 7, line 3)	\$	<b>(C)</b>
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**Retirement accounts** Not applicable

Institution or custodian name	Type*	Account number	Market value	Less: Loans, if any	Net value

<small>* Type may include: 401K, IRA, pension, profit sharing, etc.</small>	<b>Box (D) – Total net value</b> (also enter on page 7, line 4)	\$	<b>(D)</b>
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**Cash value of life insurance policies** Not applicable

Institution company name	Type*	Policy number	Cash value	Less: Loans, if any	Net value

<small>* Type may include: term, whole life, etc.</small>	<b>Box (E) – Total net cash value</b> (also enter on page 7, line 5)	\$	<b>(E)</b>
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**Assets** (continued) As of \_\_\_\_\_  
Date

**Accounts receivable** Not applicable

Name and address	Date recorded	Book value	Less: Loans, if any	Date pledged, if applicable	Net value
<b>Box (F) – Total net value</b> (also enter on page 7, line 6)					\$ (F)

**Inventory** Not applicable

Detailed description	Date recorded	Book value	Less: Loans, if any	Date pledged, if applicable	Net value
<b>Box (G) – Total net value</b> (also enter on page 7, line 7)					\$ (G)

**Notes receivable** Not applicable

Name and address	Date recorded	Book value	Less: Loans, if any	Date pledged, if applicable	Net value
<b>Box (H) – Total net value</b> (also enter on page 7, line 8)					\$ (H)

**Valuable items, machinery, and equipment** Not applicable

*(List any artwork, collections, jewelry, items in safe deposit boxes, tools, furniture, fixtures, etc. that you own fully or partially)*

Description	Fair market value	Loan balance, if any
<b>Box (I) – Total fair market value</b> (enter Asset on page 7, line 9)	\$ (I)	
<b>Box (J) – Total loan balance, if any</b> (enter Liability on page 7, line 18)		\$ (J)

**Assets** (continued) As of \_\_\_\_\_  
Date

**Real estate**

Not applicable

(List any house, condo, co-op, timeshare, land, commercial property, etc. that you own fully or partially, located inside and outside of the country)

Complete address	Description*	Owners	Current fair market value	Mortgage balance, if any	Unpaid property taxes
<b>Box (K) – Total fair market value</b> (enter Asset on page 7, line 10)			\$ (K)		
<b>Box (L) – Total mortgage balance</b> (enter Liability on page 7, line 19)				\$ (L)	
* Description may include: primary residence, vacation home, rental property, etc.			<b>Box (M) – Total unpaid property taxes</b> (enter Liability on page 7, line 20)		\$ (M)

**Foreclosure proceedings:**

Not applicable

Are foreclosure proceedings pending on any real estate which you own or have an interest in? ..... Yes  No

If Yes, please give locations of the real estate: \_\_\_\_\_

Was the New York State Tax Department made a party to the suit? ..... Yes  No

**Vehicles** (List any cars, boats, motorcycles, trucks, aircraft, etc. that you own)

Not applicable

Year, make, and model	Plate number or Reg. number	Mileage	Owners	Fair market value	Loan balance
<b>Box (N) – Total fair market value</b> (enter Asset on page 7, line 11)				\$ (N)	
<b>Box (O) – Total loan balance</b> (enter Liability on page 7, line 21)					\$ (O)

**Leased vehicles** (List any cars, boats, motorcycles, trucks, aircraft, etc. that you lease)

Not applicable

Year, make, and model	Plate number or Reg. number	Mileage	Lessee name(s)	Date of lease	Term of lease

**Assets** (continued) As of \_\_\_\_\_  
Date

**Interest in trust or estate** Not applicable

Are you the grantor, donor, or trustee for any trust? ..... Yes  No

Are you the beneficiary of any trust or estate? ..... Yes  No

Do you have any life interest or remainder interest, either vested or contingent, in any trust or estate? ..... Yes  No

If Yes to any of the above, furnish a copy of the instrument creating the trust or estate. Also, complete the table below.

Name of trust or estate	Annual income you received from this source	Present value of trust or estate	Value of <i>your</i> interest
<b>Box (P) – Total value of your interest</b> (enter Assets on page 7, line 12)			<b>(P)</b> \$

**Business interests** (from page 1, if you marked Yes) Not applicable

If you or your spouse have ownership in any business, complete the table below. You must complete this section if you:

- filed federal schedules C, E, F, and other federal business forms filed by an individual in the preceding 3 years.
- received federal schedules K-1 in the preceding 3 years.
- are a shareholder of a business that filed federal Form 1120, *U.S. Corporation Income Tax Return*, in the preceding 3 years.

Business name	Employer identification number	Type of business*	Ownership percentage	Annual cash contributed**	Annual cash received**	Value of <i>your</i> investment***
<b>Box (Q) – Total value of your investments</b> (enter Assets on page 7, line 13)						<b>(Q)</b> \$

\* List all types of businesses, including sole proprietorships, partnerships, S corporations, C corporations, etc.  
 \*\* Annual cash contributed or received may include: Shareholder or partner contributions or distributions, etc.  
 \*\*\* Value of your investment may include: **Your** share of net worth or your partner capital account, etc.

**Contingent claims or legal actions** Not applicable

(Potentially receivable or collectable, such as pending insurance claims, settlements, etc.)

Name of payer(s)	Date you expect to receive funds	Dollar amount
<b>Box (R) – Total dollar amount</b> (enter Assets on page 7, line 14)		<b>(R)</b> \$

**• Increase in value**

What is the prospect of an increase in value of any of your assets and your present income?  
 Provide a detailed explanation.

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**• Disposal of assets**

Not applicable

Did you transfer any assets with a fair market value of \$500.00 or more during the period beginning with the start of your proposal's tax period and the present? ..... Yes  No

If Yes, attach a copy of the applicable transfer document (i.e. sales agreement, closing statement, HUD-1 statement, etc.).

Also complete the table below. List **all** applicable transactions, including:

- transfer or sale of real estate
- transfer or sale of business interests
- assets that were transferred for **less than** fair market value
- disposal of any of the above

Asset type and description	Relationship of transferee	Date of transfer	Fair market value when transferred	Dollar amount you received

**• Judgments**

As of \_\_\_\_\_  
Date

Not applicable

Name of creditor(s)	Date recorded	Where recorded	Dollar amount of judgment filed	Current balance due on judgment

**Box (S) – Total balance due on judgments** (enter Liability on page 7, line 22) \$ **(S)**

**Bankruptcy**

Not applicable

Are bankruptcy or receivership proceedings pending? ..... Yes  No

If a corporation or other business, is it in the process of liquidation? ..... Yes  No

**Unlawful activities**

Not applicable

Is the liability you are trying to compromise related to a crime for which you pleaded or were found guilty? ..... Yes  No

Have you (or any one of you) been convicted of any crime involving unlawful possession or acquisition of property or income obtained by fraud, theft, or other illegal means within the last 5 years? ..... Yes  No

Are you the subject of, or defendant in, any pending criminal or grand jury action or proceeding which may involve or affect in any way, your right, title, or interest to any real or personal property whether or not listed herein? ..... Yes  No

If Yes to any of the above, provide details:

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● **Household income and expenses – individual**

Enter your household’s gross **monthly** income, including income from you, your spouse, significant other, children, and others who contribute to the household.

Monthly gross receipts or income	Name of source	Amount
Salaries, wages, commissions of applicant(s)		
Salaries, wages, commissions of household members		
Dividends		
Interest		
Net business income from all sole proprietorships and single-member LLCs (from federal schedule Cs)		
Distributions from partnerships and S corporations (from your attached federal schedules K-1, the partner or shareholder cash distributions you received on an average monthly basis)*		
Net proceeds from sales of securities and other investments ((stocks, bonds, mutual funds, real properties, etc.) on an average monthly basis)*		
Income from annuities and pensions		
Income from rents and royalties		
Income from trusts and estates		
Social Security		
Welfare		
Unemployment		
Gifts		
Money from relatives		
Other income (list)		

**Total monthly household income:** \$

Monthly expenses	To whom paid (and relationship)	Amount
Food, clothing, and miscellaneous (such as housekeeping supplies, personal care products)*		
Housing (rent or mortgage payment, plus property taxes, home insurance, maintenance, dues, or fees)		
Utilities (electricity, gas, other fuels, trash collection, water, cable, phone)		
Vehicle loan and lease payments		
Vehicle operating costs (maintenance, repairs, insurance, fuel, registrations, licenses, inspections, parking, tolls, etc.)*		
Public transportation costs (fares for mass transit such as bus, train, ferry, taxi, etc.)*		
Health insurance premiums		
Out-of-pocket health care costs (prescription drugs, medical services, and medical supplies like eyeglasses, hearing aids, etc.)*		
Court-ordered payments (alimony, child support, etc.)		
Child or dependent care (daycare, home health care, etc.)		
Life insurance premiums		
Taxes (monthly cost of federal, state, and local tax, etc.)		
Debt service payments (monthly payment for loans where you pledged an asset as collateral; do not include payments on unsecured debt such as credit cards.)		
Other expenses (list)		

**Total monthly household expenses:** \$

\* You may provide reasonable estimates for certain income and expenses on an average monthly basis.

**Attach additional sheets if necessary.**



**• Income and expenses – business**

If this proposal is from a business, enter the information below for the **last two calendar (fiscal) years** and **most recent interim period (year-to-date)**. Attach a detailed statement of carryover and carryback loss intentions. If you do not intend to use this offset, attach a full explanation.

<b>Gross receipts or income</b>	<b>Year before last 20__</b>	<b>Last year 20__</b>	<b>Most recent interim period (year-to-date) _____, 20__</b>
<b>Gross sales or receipts</b> <i>(net of returns and allowances)</i>			
Less: Cost of goods sold			
<b>Gross profit</b>			
Dividend income			
Interest income			
Gross rents			
Gross royalties			
Ordinary income (loss) from partnerships, estates and trusts, if applicable			
Net farm profit (loss) <i>(federal schedule F (Form 1040))</i>			
Gains from sales of assets <i>(federal Form 4797)</i>			
Capital gain net income <i>(federal schedule D (Form 1120))</i>			
Other income (list)			
<b>Total income</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

<b>Deductions</b>	<b>Year before last 20__</b>	<b>Last year 20__</b>	<b>Most recent interim period (year-to-date) _____, 20__</b>
Compensation of officers			
Guaranteed payments to partners			
Salaries and wages <i>(not deducted elsewhere)</i>			
Pension, profit-sharing, retirement plans, etc.			
Employee benefit programs			
Rents			
Repairs and maintenance			
Taxes and licenses			
Depreciation, amortization, depletion			
Bad debts			
Interest expense			
Contract labor, commissions, and fees paid			
Legal and professional services			
Car and truck expenses			
Travel, meals, and entertainment			
Contributions, charitable giving			
Other operating expenses (list)			
<b>Total deductions</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

<b>Total capital contributed by shareholders, partners, or owners of the business</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
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<b>Total distributions or dividends paid to shareholders, partners, or owners of the business</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
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**Annual benefit paid to principal officers and owners** – Enter the total annual benefit paid to each of the principal officers and owners of the business. Annual benefit may include, but not be limited to, the following sources: wages, guaranteed payments to partners, shareholder/partner distributions, management fees, commissions, and shareholder/partner loans received from the business.

Name and title	20__	20__	20__
_____, President			
_____, Vice President			
_____, Treasurer			
_____, Secretary			

Attach additional sheets if necessary.

**• Attachments**

Items 1, 2, and 3 must be attached; items 4 through 12, if applicable, must also be attached.

Failure to provide these returns, statements, and documents will cause immediate rejection of your compromise request, request for payment plan, or other proposal.

**You must attach:**

- 1. Federal returns for the preceding three years, with all schedules and statements attached. If you were not required to file, include an explanation. In addition:
  - for all sole proprietorships or single-member LLC's (Schedule C), also include the balance sheets for the preceding three years, as of each year-end. These balance sheets may be self-prepared.
  - include all federal schedules K-1 from Form 1120S or Form 1065, or both, for the preceding three years, as applicable.
- 2. Complete credit reports issued by a credit bureau dated within 30 days of this submission.
- 3. All bank account statements, brokerage account statements, and retirement account statements for the preceding 12 months.
  - If you receive certain statements on a quarterly basis, provide the four most recent quarterly statements for the applicable account(s).
  - If you receive certain statements on an annual basis, provide the most recent annual statement for the applicable account(s).

**You must attach, if applicable:**

- 4. Federal application to compromise, with the results.
- 5. Recent mortgage or home equity loan statements(s) dated within 30 days of submission. The statement(s) must show monthly payment amounts and current balance outstanding. We may request a real estate appraisal.
- 6. All mortgage indentures and conveyances, as grantor or grantee, for the preceding 10 years.
- 7. Lease agreements, both as landlord and tenant.
- 8. Loan agreements, both for note(s) receivable and note(s) payable. Include the security/collateral agreements for all secured loans.
- 9. Contracts of sale of any assets having a fair market value of over \$500.00 within the last five years. For example, sales agreement, closing statement, HUD-1 statement, etc.
- 10. Copies of legal instruments related to pending claims (insurance or otherwise), rights to sue, subrogations, assignments, and other assets.
- 11. Bankruptcy discharge papers, if applicable.
- 12. For any business (corporation, partnership, s corp, non-profit organization, professional corp, etc.): We may request the audited, reviewed, or company-prepared financial statements for the preceding three years. In addition, we may request an *Accounts Receivable Aging Report* for any business.

**• Declaration**

I declare that I have examined the information given in this statement and, to the best of my knowledge and belief, it is true, correct, and complete, and I further declare that I have no assets, owned either directly or indirectly, or income of any nature other than as shown in this statement. I make this statement with the knowledge that a willfully false representation is a misdemeanor punishable under New York State Penal Law section 210.45.

I authorize the New York State Department of Taxation and Finance (DTF) to contact certain third parties, including but not limited to financial institutions and consumer credit reporting agencies, and to obtain my consumer credit report for the purpose of verifying the information I provided to DTF for determining my eligibility for an installment payment agreement or other payment terms. In addition, I authorize DTF to use my Social Security number when requesting my credit history from consumer reporting agencies or when verifying the information provided. I understand that DTF will not notify me about which third parties, if any, are contacted by DTF as part of this review process.

Taxpayer's signature(s)	Date

Attach additional sheets if necessary.