

02-5      December 2, 2002

## **FINANCE MEMORANDUM**

### **Interim Procedures for Offers in Compromise**

The Taxpayer Assistance Act, Chapter 513 of the Laws of New York of 2002, authorizes the Department of Finance to compromise outstanding liabilities for excise and non-property income taxes and annual vault charges administered by the City including outstanding warrants for such liabilities. The Department will establish necessary procedures for receiving and processing offers in compromise from taxpayers and their representatives. This Finance Memorandum establishes interim procedures for taxpayers wishing to make an offer in compromise to the Department before final procedures are adopted.

For warranted cases:

The taxpayer can make an offer to compromise a City-administered tax or annual vault charge for a warranted matter using the New York State Department of Taxation & Finance Offer in Compromise forms and sending the offer to the following address:

Valerie DeFour  
NYC Department of Finance  
Collection and Data Management Division  
25 Elm Place, 4<sup>th</sup> Fl.  
Brooklyn, NY 11201

If the taxpayer has made an offer in compromise of a business income tax to New York State, the taxpayer can make an offer in compromise of a liability for the comparable City tax, *e.g.*, General Corporation Tax, Unincorporated Business Tax or Banking Corporation Tax, by mailing a copy of the same documents submitted to the State to the above address.

For non-final cases:

The taxpayer can make an offer in compromise for a case that is not final and is pending before the Department or is being handled by the New York City Law Department using the New York State Offer in Compromise forms and sending the offer to the unit handling the matter as follows:

In Audit, to:

Christine Avin  
NYC Department of Finance  
Audit Division  
345 Adams Street, 10<sup>th</sup> Fl.  
Brooklyn, NY 11201

In the Conciliation Bureau, to:

Duncan D. Riley, Director  
NYC Department of Finance  
Bureau of Conciliations  
345 Adams Street, 3rd Fl.  
Brooklyn, NY 11201

In the Tax Appeals Tribunal or other court,  
to the NYC Law Department:

Robert Firestone, Esq.  
NYC Law Department  
100 Church Street, Rm. 5-208  
New York, NY 10007

For all other non-final matters, to:

Valerie DeFour  
NYC Department of Finance  
Collection and Data Management Division  
25 Elm Place, 4<sup>th</sup> Fl.  
Brooklyn, NY 11201

If the taxpayer has made an offer in compromise of a business income tax to New York State, the taxpayer can make an offer in compromise of a non-final liability for the comparable City tax by mailing a copy of the same documents submitted to the State to the division where the matter is pending as indicated above.

Please note that while the Department will entertain an offer in compromise submitted using forms issued by the New York State Department of Taxation & Finance, this is for the convenience of taxpayers only. The Department may request additional information and is not obligated to accept any offer accepted by the State or to follow rules, guidelines or other procedures used by the State in processing offers in compromise.