



IDAHO
DEPARTMENT OF FINANCE

C.L. "BUTCH" OTTER
Governor

GAVIN M. GEE
Director

Contact: **Jo Ann Lanham**
Consumer Affairs Officer
(208) 332-8000

NEWS RELEASE

FOR IMMEDIATE RELEASE

April 14, 2014

FINANCIAL LITERACY MONTH TIP OF THE WEEK Tax Debt Settlement Companies *Are You Dealing with a Licensed Company?*

Gavin Gee, director of the Idaho Department of Finance, reminds Idahoans that tax season brings with it solicitations of help that come in many shapes and sizes. Tax time includes a surge of advertisements and offers from companies promising to help struggling taxpayers settle their tax debt. "Companies offering to settle your tax debt for a fraction of the amount owed, offering to stop wage garnishments, levies, property seizures, or high monthly tax payments may be offering nothing more than hollow promises," warns Gee.

The department has received information derived from consumer complaints that indicate that Idahoans are receiving offers from unlicensed companies to settle tax debt for a hefty price. The companies may either claim to be law firms or claim to be exempt from licensure because the debt is related to delinquent taxes. Gee says these claims are untrue.

Companies that offer help to Idahoans *in the management of their debts*, whether it is tax debt or other types of debt, are in most instances required to be licensed with the Department of Finance. Exemptions to licensure are very limited.

Idahoans who need help with delinquent tax debt should research their options before contracting with tax debt settlement companies. Gee's tip to Idahoans struggling with tax debt is, "If you owe back taxes and don't know how you're going to pay the debt, communicate directly with the taxing authority to see if you can work out a payment plan. Don't obligate yourself to an unlicensed tax debt settlement company."

The IRS may offer an option to complete an installment form to set up a payment plan, if you qualify under their requirements. IRS Publication 594, The IRS Collection Process ([PDF](#)) describes the Taxpayer Advocate Service (TAS) and options for taxpayers who need more time to pay. This publication and Form 9465 Installment Agreement ([PDF](#)) can be obtained from <http://www.irs.gov>.

Gee said that if you owe Idaho taxes, the [Idaho State Tax Commission](#) will work directly with you to determine if you qualify for a payment agreement.

April is Financial Literacy Month. Department of Finance press releases and a list of free financial literacy events can be found on the Internet at <http://finance.idaho.gov> or by contacting the department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378