

Tax Debt Reduction Through Penalty Abatement

Written by Australian Business

JACKSONVILLE, FL, October 06, 2013 **/24-7PressRelease/** -- The IRS charges penalties for the failure to file and the failure to pay taxes. Everyday Tax Defense Network sees how the penalties and interest the IRS charges on tax debt make a big problem even worse for taxpayers. This process was designed to encourage taxpayers to pay back their debt more quickly, but applying high penalties makes the tax debt problem seem even more daunting. Fortunately for those who qualify there is Penalty Abatement.

Penalty Abatement is a way to potentially achieve tax debt reduction. In a penalty abatement a penalty and the associated tax is removed from the tax debt. However, to remove a penalty, taxpayers must first provide good reason for not filing or paying their taxes. There is a limited set of criteria that the IRS provides for taxpayers. If the taxpayer does not meet those criteria, the penalty abatement does not get approved.

"Penalties and interest are one of the most frustrating parts of tax debt," says Kay Wolfson of Quality Assurance at Tax Defense Network. "Tax debt will just grow and grow. Penalty abatement can pretty significantly reduce tax debt for those that qualify."

In order to be granted a penalty abatement, taxpayers must have reasonable cause for not filing or paying their taxes. Reasonable cause includes death or serious illness, unavoidable absence, or fire or other natural disasters. Other reasonable causes include inability to obtain necessary records, theft or embezzlement, or bad advice from the IRS or a tax professional.

Taxpayers should keep in mind that as it only addresses the penalty portion of a tax debt, penalty abatement is not a resolution in itself. It can only be used alongside a payment plan that resolves the tax debt. In addition, the IRS is the final arbiter of whether or not a penalty abatement is granted. The decision is not up to the Licensed Tax Professional that you've hired to work on your tax issues.

"Penalty abatements are not guaranteed," Ms. Wolfson warns. "It is important for our clients to know that while Tax Defense Network will do its level best to get a penalty abatement for those we think qualify, it is up to the IRS and the IRS alone whether or not they will grant an abatement."

Tax Defense Network is a national tax debt relief company that has been resolving tax debt for both individuals and small businesses since 1997. Tax Defense Network's team of licensed tax professionals, CPAs and enrolled agents has over 35 years combined experience. Tax Defense

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Network has an A+ rating from the Better Business Bureau.

For more information on national tax relief company Tax Defense Network and its tax debt relief services, please visit <http://www.taxdefensenetwork.com/pr> or call (888) 605-5657 for a free consultation. For other inquiries, contact becky.korn@taxdefensenetwork.com