

# How to prepare a Collection Information Statement (Form 433-A)

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Complete all blocks, except shaded areas. Write "N/A" (Not Applicable) in those blocks that do not apply to you. *If you don't complete the form, we won't be able to help determine the best method for you to pay the amount due.* The areas explained below are the ones we have found to be the most confusing to people completing the form.

## Section III

### Item 13 - Bank Accounts

Enter all accounts even if there is currently no balance. *Do Not* enter bank loans.

### Item 14 - Bank Charge Cards, Lines of Credit, etc.

Enter only credit issued by a bank, credit union, or savings and loan (MasterCard, Visa, overdraft protection, etc.). List other charge accounts such as oil companies and department stores in Item 28.

### Item 16 - Real Property Description and Ownership

List all real property that you own or are purchasing. Include the address, county, and type of buildings on the property. List the names of all owners and type of ownership (such as joint tenants, tenant in common, etc.).

## Section IV

### Items 24 thru 26 - Vehicles, Real Property, and Other Assets

**Current Market Value** - Indicate the amount you could sell the asset for today.

**Equity in Asset** - Subtract liability (current amount owed) from current market value.

**Date Pledged** - Enter the date the loan was originally taken out or property given as security.

**Date of Final Payment** - Enter the date the loan will be fully paid. If you are behind in payments, enter "Behind."

List other assets you own such as campers, boats, jewelry, antiques, etc., in item 26.

### Item 28 - Other Liabilities

List all other liabilities, including charge accounts, back loans and notes, personal loans, medical bills, etc.



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## Section V

If only one spouse has a tax liability, but both have Income, list the total household income and expenses.

### Items 31 and 32 - Wages and Salaries

Enter your *gross* monthly wages and/or salaries. Do not deduct withholding or allotments you elect to take out of your pay such as insurance payments, credit union deductions, car payments, etc. List these expenses in Section IV and Section V.

### Item 34 - Net Business Income

Enter your monthly *net* business income, that is what you earn after you have paid your ordinary and necessary monthly business expenses.

## Necessary Living Expenses

To be necessary, expenses must provide for the health and welfare of you and your family and/or provide for the production of income, and must be reasonable in amount. You may be asked to provide substantiation of certain expenses.

### Item 42 - National Standard Expenses

This category includes clothing and clothing services, food, housekeeping supplies, personal care products and services, and miscellaneous. Enter the amount you are allowed, based on your total monthly gross income and the size of your family, from the chart on the back of these instructions. If you claim a higher amount, you must substantiate why a higher amount is necessary for each item included in a category.

### Item 43 - Housing and Utilities

Enter the monthly rent or mortgage payment for your principal residence. Add the average monthly payment for the following expenses if they are *not* included in your rent or mortgage payments: property taxes, homeowner's or renter's insurance, parking, necessary maintenance and repair, homeowner dues, condominium fees, and utilities. Utilities includes gas, electricity, water, fuel oil, coal, bottled gas, trash and garbage collection, wood and other fuels, septic cleaning and telephone.

### Item 44 - Transportation

Enter your average monthly transportation expenses. Transportation expenses include: lease or purchase payments, insurance, registration fees, normal maintenance, fuel, public transportation, parking and tolls.

### Item 50 - Secured or Legally-Perfected Debts

Do not enter mortgage payment entered in Item 43, or lease or purchase payments entered in Item 44.

### Item 51 - Other Expenses

Enter your average monthly payments for any other *necessary* expenses.

### Item 53 - Not Difference

Do not show an entry in this space. IRS use only.

## Certification

For joint income tax liabilities, both husband and wife should sign the statement.

## Collection Financial Analysis: Total Monthly National Standards (Rev. 7-98)

Total Gross Monthly Income	Number of Persons				
	One	Two	Three	Four	Over Four
Less than \$830	341	461	573	717	+125
\$830 to \$1,249	387	520	639	753	+135
\$1,250 to \$1,669	429	622	728	790	+145
\$1,670 to \$2,499	521	675	771	819	+155
\$2,500 to \$3,329	548	758	851	912	+165
\$3,330 to \$4,169	612	818	935	1,049	+175
\$4,170 to \$5,829	761	944	1,004	1,154	+185
\$5,830 and over	977	1,218	1,379	1,453	+195

Expenses include:

- Housekeeping supplies
- Apparel and services
- Personal care products and services
- Food
- Miscellaneous

To find the amount you are allowed, read down the Total Gross Monthly Income Column until you find your income, then read across to the column for the number of persons in your family

If there are more than four persons in your family, multiply the number of additional persons by the amount in the "Over Four" column and add the result to the amount in the "Four" column. (For example, total monthly income of \$830 to \$1,249 for six persons would equal a monthly national standard of 753 + 135 + 135, or 1024.)

Normally, expenses should be allowed only for persons who can be claimed as exemptions on your income tax return.

Dollar amounts are derived from the Bureau of Labor Statistics (BLS) Consumer Expenditure Survey.