



**U.S. Department of Justice**  
Tax Division

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DJ 5 -  
CMN

[Date]

Mr./Mrs./Ms. [Name]  
[Address]

Re: [Case caption, court docket no., district]

Dear Mr./Mrs./Ms. [Name]:

We have received your letter dated \_\_\_\_\_, containing taxpayer's [your] [amended] offer to compromise this case. We understand that the terms of the [amended] offer are as follows:

1. Set forth terms of offer, clarifying any ambiguities<sup>1</sup>; and
2. This case will be dismissed with prejudice, the parties to bear their own costs and expenses, including any attorney fees.

If you believe the foregoing does not accurately reflect the terms of your offer, please notify us immediately.

[If these terms constitute your [amended] offer, please sign this letter where indicated and return the original to this office.]<sup>2</sup>

[Please note that under Section 6402 of the Internal Revenue Code, any overpayment(s) and statutory interest resulting from the proposed settlement may be credited against certain outstanding liabilities of the taxpayer(s), including liability for an internal revenue tax.]<sup>3</sup>

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<sup>1</sup> If the offer calls for payment(s) to be made over time or at a future time, then specify the date(s) on which the payment(s) is (are) due. If payments to be made over time, specify a means of securing the payment and the consequences of any default.

<sup>2</sup> This paragraph, and the signed acknowledgment, are to be used where the acknowledgment letter significantly clarifies the offer, or when we are reducing to writing the proponent's oral offer.

<sup>3</sup> This paragraph is to be used where the offer contemplates an overpayment due to the taxpayer.

We are sure you understand that unless you receive from an authorized delegate of the Attorney General, a formal written acceptance of your [amended] offer, the United States is in no way committed to a settlement.

Sincerely yours,