Pioneer Credit Recovery, Inc. TIRNO-06-K-00181
Contract No. GS23F0217K

Pioneer
CREDIT RECOVERY, INC.

THE INITIAL DEMAND

***Get the Taxpayer on the phone**
***Verify Name and SSN, Note: if it is regarding a jointly filed and you have identified the secondary filer, you must verify both Primary and Secondary SSN information**

Hello, My name is _____and I work for Pioneer Credit Recovery, Inc. My employee number is _____, I am calling regarding an outstanding IRS tax liability for _____(account details including applicable tax years). I would like to help resolve the outstanding balance. Your balance of $_____ is due in full today. How can I help you to resolve this?

*Psychological pause—**let the Taxpayer speak first**

IF YES (which should be the case 99% of the time)

GREAT…Before we continue, **federal law requires me to inform you that this is an attempt to collect a debt, any information obtained will be used for that purpose.**

Now, ___(Taxpayer's name)__let me go ahead and update your file.

*Take the Taxpayer through the financial statement from top to bottom

ONCE ALL INFORMATION IS OBTAINED:

O.K. ____(Taxpayer's name)____based on the information you provided me, it appears you may be able to borrow the money to pay this past due obligation.

*Give the Taxpayer some ideas on how to borrow. Use the information from the financial statement.

Money Sources:

401K	Employer Loan	Credit Union
Credit Card	Bank or finance Co.	2nd Mortgage
Co-Signer	Family	Friends
Stocks	Bonds	CD's

IF THE TAXPAYER ATTEMPTS TO BORROW AND IS UNABLE:

Ask: "How much can you get together by ___(end of the month)___" and get a 2nd talk-off

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Telephone Techniques

Two ACA-produced training tools are used to teach collectors appropriate telephone techniques. The first tool, Professional Telephone Collection Techniques, is an interactive software package that each new collector completes. The second is Advanced Telephone Collecting, a video package, which is supplemented by worksheets completed by the collectors.

I. COLLECTOR AND CONSUMER

- The Successful Collector

  Characteristics

  Sounds of Success

- Consumer Characteristics

  Where the Money Goes

  Causes of Debt

- Tough Collection Situations

- The Maslow Model

  Self-fulfillment

  Esteem

  Social

  Security

  Physical

- Consumer Appeals

  Honesty

  Pride

  Anxiety

II. PREPARING FOR THE CALL

- Check the taxpayer's payment record
- Review past responses to collection attempts
- Plan your strategy
- Determine your bottom line
- Prepare your questions

III. EIGHT STEPS OF COLLECTION (BASIC)

- Identify the debtor [inbound and outbound]:

  Be careful to discuss the debt only with the obligated parties unless you have prior consent from the taxpayer.

  Always refer to the taxpayer using the proper salutation.

- Identify yourself:

  Refer to yourself as Mr. or Mrs.

  Make sure the taxpayer knows your name and who you represent.

- Ask for payment in full:

  Identify the debt, describing it in detail.

  Specify the exact amount owed.

  Assume that the taxpayer will pay that amount.

- Use the psychological pause [pregnant pause]:

  Once you ask for payment in full, pause for the taxpayer's response. Silence will work in your favor.

- Identifying stalls and objections (problems):

  Is it realistic?

  Bad time to talk

  Not my debt

  Won't pay penalties and interest

Already sent payment

If the taxpayer disputes the debt, define the reason for the dispute.

- Find a solution:

Negotiation techniques

Know your business.

Establish issues of agreement.

Verify the facts.

Discover the areas of disagreement.

- Close the call:

Payment agreed

Make sure the taxpayer has the exact terms and the payment address and understands that you will expect the agreement to be handled as promised.

No payment

Recap the call to ensure accuracy of expectations.

- Update taxpayer file

IV. SAMPLE PHONE SCRIPT

Is (taxpayer name) there?
This is (agent's name) from Linebarger Goggan Blair & Sampson calling in regard to your outstanding tax obligation with the Internal Revenue Service. This communication is from a debt collector and is an attempt to collect a debt. Any information obtained will be used for that purpose.

Your account has achieved delinquency status and has been placed in my office for immediate action. Your balance of $_____ is due. What are your intentions regarding payment on your account?

- Psychological pause:

The next person to speak loses.

- Financial (does not need to be completed if debtor is paying in full):

Let me see if I can help you. First I need to update my file:

Income:

What is the name of your present employer?

What is your direct work phone number?

Does your spouse work?

What is your household net (take home) monthly income?

When is the date of your next payday?

How do you pay your bills i.e. check, money order?

Expenses:

How much is your monthly rent/mortgage?

How much is your monthly car payment?

How much do you pay for your utilities monthly?

How much are your total monthly credit card payments or other financial obligations?

Net:

I show you have $ ____ income and your expenses total $_____. At this time your disposable income is $_____.

- Negotiations:

Taxpayer has a checking account/credit card

Your payment of $_____ needs to be paid. We need to set up an ACH (check by phone) / credit card (Visa/Mastercard) payment to take care of your outstanding balance.

Please get your checkbook/credit card so we may complete the payment. What date in the next five business days do you want to use for this payment?

CONFIDENTIAL
Attorney Work Product/Attorney-Client Communication

Complete the ACH/credit card transaction. Verify payment date and amount with debtor so they are clear.

Taxpayer has no checking account/credit card

Due to the delinquent nature of your account, I need you to Quick Collect the payment of $_____to me today. Please get a pen and paper so I may give you the proper information for your Western Union payment. You will be sending your commitment of $_____ on (today's date).

- Customer refusal:

How do you propose to bring this tax obligation current? I can hold your account in my office for three days. If an arrangement for payment is not established by _____ (today + three days at noon), I will mark your account as refusal to pay and refer your account for further activity. If you wish to discuss payment options, please call our 800 number (800 XXX-XXXX). Thank you and goodbye.

*If customer changes his/her mind, negotiate payment plan within the next two weeks.

- Closing:

Your next payment will be due (date due). Any payments received after your due date are subject to penalty and fees. Please include your account number on all payments and allow ten days' mailing time.

Should the occasion arise where you are unable to make payment, you must contact this office and notify your account officer.

Thank you for your payment arrangement (or payment).

If this is the first contact with the taxpayer, provide information on the Taxpayer Advocate Service.

Collector's Resource Guide to Success

Eight Steps to a Collection Call

8. **UPDATE YOUR RECORDS**

7. **CLOSE THE SALE**

6. **FIND THE SOLUTION**

5. **DETERMINE THE PROBLEM**

4. **PSYCHOLOGICAL PAUSE AND LISTEN**

3. **ASK FOR PAYMENT IN FULL**

2. **IDENTIFY YOURSELF BY NAME AND COLLECTOR NUMBER, THE IRS, THE AMOUNT OF THE BILL, AND GIVE THE MINI-MIRANDA**

1. **IDENTIFY THE TAXPAYER, THEIR ADDRESS, SOCIAL SECURITY NUMBER AND PHONE NUMBER**

If initial call, make sure to inform the taxpayer of TAS and perform a Full Compliance Check!

Step 1: **Identify The Taxpayer, Their Address, Social Security Number And Phone Number (if inbound)**

You must make sure that you are talking to the appropriate person responsible for taking care of the account. Make sure to inquire if they are a Junior or a Senior, or any other identifying information. Once you are talking to the responsible party, verify the address we show as being current and any other location information. Verify the taxpayer's Social Security Number. If they are the secondary taxpayer, verify both their Social Security Number, as well as the primary's Social Security Number. If they do not have that information, they must call back when they do. If the taxpayer is not home make sure that you leave an appropriate message with another person at home or on the answering machine.

Step 2: **Identify Yourself, the who you represent and the Amount of the Bill**

Always inform the taxpayer who you are by your name as well as collector number, where you are calling from, who you are calling for and the amount of the bill. It may be necessary to identify yourself to the person who answers the phone in order to get the taxpayer on the line. Do not tell a third party that you are calling from The CBE Group or that you are collecting on a debt. Your voice should be friendly when asking for the taxpayer by their first name.

Step 3: **Ask for Payment in Full**

Make sure this request is courteous but firm. If you think about it, to ask for anything other than payment in full is insulting. You are making an assumption that the taxpayer can't pay. Always word your demand in a way to solicit a positive response. Sometimes it's helpful to give the taxpayer two alternatives, both of which will produce a positive response. An example might be "We called to see if you have received our statement and to answer any questions you may have before you pay this in full. " If no questions then, "Great, then how would you like to take care of this today? Give the request a definite sense of urgency. Always get and give specific dates and remain in control.

Step 4: **Psychological Pause and Listen**

This pause is the most powerful part of your call. This silence shifts the burden of the conversation to the taxpayer, and they, in turn, will tell you everything you need to know to "close the sale." When you use the psychological pause, make sure you have left a question or statement to be answered.

Listening to their response is just as important. Listening is one of the most prominent assets an IRS Collector can have. Experienced collectors find that the more skilled they become, the less they talk and the more they listen.