

S. MCGUIGAN

ACS SBSE

23-00-0008

CERTIFIED MAIL: 9307110756606568294236  
Letter Date : 03/03/2020

Taxpayer Identification Number:  
[REDACTED]-4090

===== MAILED TO: =====  
NICHOLAS J MOSBY  
[REDACTED]  
BALTIMORE, MD [REDACTED]  
=====

Contact Person:  
S. MCGUIGAN

Contact Telephone Number:  
(800) 829-3903

Employee Identification Number :  
23-08PHIL

NICHOLAS J & MARILYN J MOSBY  
[REDACTED]  
BALTIMORE, MD [REDACTED]

NOTICE OF FEDERAL TAX LIEN FILING AND YOUR RIGHT TO A  
HEARING UNDER IRC 6320

We filed a Notice of Federal Tax Lien on 03/03/2020.

Type of Tax	Tax Period	Assessment Date	Amount on Lien
1040	12/31/2014	11/02/2015	.00
1040	12/31/2014	10/09/2017	22828.04
1040	12/31/2016	04/15/2019	3048.75
1040	12/31/2015	11/28/2016	19145.21

NOTE: Please contact the person whose name and telephone number appears on this notice to obtain the current amount owed because additional interest and penalties may be increasing the Amount on Lien shown above.

The lien attaches to all property you currently own and to all property you may acquire in the future. It also may damage your credit rating and hinder your ability to obtain additional credit.

You have a right to a hearing with us to appeal this collection action and to discuss your payment method options. To explain the different collection appeal procedures available to you, we've enclosed Publication 1660, Collection Appeal Rights.

You must request your hearing by 04/09/2020. Please complete the enclosed form 12153, Request for a Collection Due Process Hearing, and mail it to:

Internal Revenue Service  
IRS-ACS/CDP  
P.O. BOX 42346  
PHILADELPHIA, PA 19101-2346

GOVT. EXHIBIT NO.	<u>27</u>
CASE NO.	<u>LKG-22-007</u>
IDENTIFICATION	_____
ADMITTED	_____

Letter 3172(D0) (Rev.01-2009)  
Catalog No. 267671

We'll issue a Certificate of Release of the Federal Tax Lien within 30 days:

- \* After you pay the full amount of your debt; or
- \* We accept a bond guaranteeing payment of the amount owed; or
- \* A decision is made to adjust your account (ie.; during an Appeals hearing)

We enclosed Publication 1450, Instructions on Requesting a Certificate of Release of Federal Tax Lien. If you have any questions, please contact the person whose name and telephone number appear at the top of this letter.

Sincerely,

Operations Manager,  
Centralized Lien Operation

Enclosures:

- Pub. 594, The Collection Process
- Pub. 1450, Instructions on How to Request a Certificate of Release of FTLien
- Pub. 1660, Collection Appeal Rights
- Form 668Y, Notice of Federal Tax Lien
- Form 12153, Request for a Collection Due Process Hearing

Letter 3172(DO) (Rev.01-2009)  
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Pub. 1660, Collection Appeal Rights  
Form 668Y, Notice of Federal Tax Lien  
Form 12153, Request for a Collection Due Process Hearing

Form **12153**  
(July 2022)

Department of the Treasury - Internal Revenue Service

**Request for a Collection Due Process or Equivalent Hearing**

Use this form to request a Collection Due Process (CDP) or Equivalent Hearing (EH) with the IRS Independent Office of Appeals (Appeals) if you have received a letter offering an appeal under IRC 6320/6330 (CDP notice).

IRS Use Only

Complete this form and send it to the address for requesting a hearing (not the payment address) shown on your CDP notice. Include a copy of your CDP notice to ensure proper handling of your request. For further information on these hearings, please see the instructions for this form.

Call the phone number on the CDP notice or 1-800-829-1040 if you are not sure about the correct address or if you want to fax your hearing request.

Si desea ver el formulario y las instrucciones en español, visite <http://www.irs.gov/pub/irs-pdf/f12153sp.pdf>.

1. Basis for hearing request (both boxes can be checked if you have received lien and levy notices)

Filed Notice of Federal Tax Lien  Notice of Proposed or Actual Levy

2. Equivalent Hearing (see the instructions for more information on Equivalent Hearings)

If my request does not meet the requirements for a timely CDP hearing, I would like a hearing that is equivalent to a CDP hearing

3. Taxpayer name (Taxpayer 1) \_\_\_\_\_

**Taxpayer Identification Number** \_\_\_\_\_

Current address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_

4. Best telephone number and time to call during normal business hours

Home  Work  Cell  
Telephone number \_\_\_\_\_ Time \_\_\_\_\_  a.m.  p.m.

5. Taxpayer name (Taxpayer 2) \_\_\_\_\_

**Taxpayer Identification Number** \_\_\_\_\_

Current address \_\_\_\_\_

(if different from  
address above)

City \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_

6. Best telephone number and time to call during normal business hours

Home  Work  Cell  
Telephone number \_\_\_\_\_ Time \_\_\_\_\_  a.m.  p.m.

7. Tax information as shown on your lien or levy notice (include a copy of the notice(s)). You do not have to complete section 7 if you include a copy of the notice(s) you are appealing

Type of Tax (Income, Employment, Excise, etc. or Civil Penalty)	Tax Form Number (1040, 941, 720, etc.)	Tax Period or Periods

**8. Reason you are requesting a hearing.** Your request will not be honored if you don't provide a reason for the dispute. Make the best selection(s) from the choices below or use as much space as you need to explain the reason for your request. You may include more pages if you don't have enough space (*see instructions*)

- I am not liable for the tax the IRS is trying to collect
- I claim innocent spouse relief (*see instructions*)
- My taxes were discharged in bankruptcy
- I've made payments that were not applied to my taxes
- I want the Notice of Federal Tax Lien withdrawn
- I am currently unable to pay due to financial hardship (*see paragraph 9*)
- I am unable to pay in full and would like a collection alternative (*see paragraph 9*)
- Other issues(s) and/or comment(s) \_\_\_\_\_

**9. Proposed collection alternative (*see instructions*).** If you are currently unable to pay or seek a collection alternative such as an Installment Agreement or Offer in Compromise, prepare a financial statement, Form 433-A (individuals) or Form 433-B (businesses), with your request, unless you meet a financial statement exception (*see below*). Submitting this information with your Form 12153 is not required, but early submission of the form will help you obtain the quickest resolution of your case

- Installment Agreement       Offer in Compromise       Currently Unable to Pay
- Other (*explain*) \_\_\_\_\_

**Financial Statement Exceptions** (*no financial statements need to be submitted if either of these two situations apply.*)

**Installment Agreement:** To see if you can automatically obtain an installment agreement without providing a financial statement and without an appeal, visit <https://www.irs.gov/payments/online-payment-agreement-application> or scan this QR code:



**Offer in Compromise:** Only if based on Doubt as to Liability.

## 10. Signatures

I understand the CDP hearing and any subsequent judicial review will suspend the statutory period of limitations for collection action. I also understand either my representative or I (but not both) must sign and date this request before Appeals can accept it. If you are signing as an officer of a company, add your title (president, secretary, etc.) behind your signature.

### SIGN HERE

Taxpayer 1's signature	Date
Taxpayer 2's signature ( <i>if a joint request, both must sign</i> )	Date

Representative's signature (*include an executed Form 2848 if signing for the taxpayer(s) unless a Form 2848 is already on file*)

Representative's name	Telephone number	Date
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### IRS Use Only

IRS employee ( <i>print</i> )	Telephone number	Received date
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## Important Things to Know for a CDP or Equivalent Hearing

Your timely request for a CDP hearing will prohibit levy action in most cases. A timely request for a CDP hearing will also suspend the 10-year period IRS has, by law, to collect your taxes. Both the prohibition on levy and the suspension of the 10-year period will last until the determination Appeals makes about your disagreement is final. The amount of time the suspension is in effect will be added to the time remaining in the 10-year period. For example, if the 10-year period is suspended for six months, the time left in the period the IRS has to collect taxes will be extended by six months. You can go to court to appeal the CDP determination Appeals makes about your disagreement.

If you want a hearing with Appeals after the deadline for requesting a timely CDP hearing has passed, you must check the box in item 2. **In this case you will receive an equivalent hearing, which is the same as a CDP hearing except it does not prohibit levy or suspend the 10-year period for collecting your taxes; also, you cannot go to court to contest Appeals' decision about your disagreement.** You must request an equivalent hearing within the following timeframe:

- Lien Notice—one year plus five business days from the filing date of the Federal Tax Lien.
- Levy Notice—one year from the date of the CDP levy notice.

Keep a copy of your hearing request and proof of the date you sent it.

Your request for a CDP levy hearing, whether timely or equivalent, does not prohibit the IRS from filing a notice of federal tax lien.

You will have to explain your reason for requesting a hearing when you make your request. Below are examples of reasons for requesting a hearing.

**"I am not liable for (I don't owe) all or part of the taxes."** You can generally raise a disagreement about the amount you owe if you did not receive a deficiency notice for the liability or if you have not had another prior opportunity for Appeals or a court to consider your disagreement with the amount you owe. A deficiency notice is a notice explaining why you owe taxes—it gives you the right to challenge in court, within a specific time frame, the additional tax the IRS says you owe.



**Penalty appeal**—Appeals may remove all or part of the penalties if you have a reasonable cause for not paying or not filing on time. For what is reasonable cause to remove penalties, see Notice 746, Information About Your Notice, Penalty and Interest, at <https://www.irs.gov/pub/irs-pdf/n746.pdf>, or by scanning this QR code.

**Innocent Spouse Relief** - You believe that your spouse or former spouse is the only one responsible for all or a part of the tax liability. Learn more about this request at <https://www.irs.gov/businesses/small-businesses-self-employed/innocent-spouse-relief>, or by scanning this QR code. You must complete Form 8857, Request for Innocent Spouse Relief, for an Innocent Spouse request to be considered.



**Prior bankruptcy:** You may have received a prior bankruptcy discharge and your taxes were not excepted from the discharge. Note that even if your taxes were discharged, your pre-bankruptcy property may remain subject to a tax lien if the property was excluded from the bankruptcy or if a notice of the lien was filed before the bankruptcy. Learn more about bankruptcy at <https://www.irs.gov/businesses/small-businesses-self-employed/declaring-bankruptcy>, or by scanning this QR code.

**"I've made payments that were not applied to my taxes."** You may disagree with the amount the IRS says you have or have not paid.

**If You Want to Propose a Lien Resolution – For the filing of a Notice of Federal Tax Lien (NFTL) against your property, choose a lien resolution and submit appropriate documentation with this form.**

**Withdrawal:** When you request a withdrawal of the NFTL, you are asking the IRS to remove the NFTL information from public records because you believe the NFTL should not have been filed.

**Subordination:** When you request a subordination, you are asking the IRS to make a Federal Tax Lien secondary to a non-IRS lien.

**Release:** You can get a Federal Tax Lien released if you pay your taxes in full or complete the terms of an accepted Offer-in-Compromise.

**Discharge:** When you request a discharge, you are asking the IRS to remove a Federal Tax Lien from a specific property.

Learn more about the NFTL, what may be the right alternative to your issue, and what documentation to include with your Form 12153 at <https://www.irs.gov/businesses/small-businesses-self-employed/understanding-a-federal-tax-lien>, or by scanning this QR Code:





## If You Want to Propose a Collection Alternative — Common collection alternatives include:



- **Full payment**— Pay your taxes by personal or cashier's check, money order, or other approved method. To learn more about payments, visit <https://www.irs.gov/payments>.

- **Installment Agreement or Short-Term Payment Plan**—Pay your taxes fully or partially through monthly or deferred payments.
- **Offer in Compromise**—You offer to make one or more payments to settle your tax liability for less than the full amount you owe. To learn more about this resolution, visit <https://www.irs.gov/payments/offer-in-compromise> or by scanning this QR code:



- **Currently Unable to Pay**—You may not be able to pay due to job loss, illness, reasonable expenses that exceed income, etc. Appeals may consider freezing collection action until your circumstances improve. Interest and applicable penalties will continue to accrue on your liability.



If you want to discuss with Appeals a collection alternative listed in Item 9 of the Form 12153, submit a completed Form 433-A (individual) and/or Form 433-B (business), as appropriate, with this form. Submitting this information with your Form 12153 is not required but will help you obtain the quickest resolution of your case. Locate copies of these forms at <https://www.irs.gov/businesses/small-businesses-self-employed/collection-process-for-taxpayers-filing-and-or-paying-late>, or by scanning this QR code.

Appeals will evaluate the financial information and your specific circumstances to try to reach an agreement with you regarding payment or other resolution of your issues. Appeals may ask the IRS Collection Function to review, verify and provide it's opinion on any information you submit. Appeals will share Collection's comments with you and give you the opportunity to respond.

## Publications and Other Resources

**It is best to use the contact information on your CDP notice for any questions about your request for a hearing and the matters you wish to appeal.**

You may refer to the publications listed below for questions about the Collection process and your rights.

Publication 594  
The IRS Collection Process

<https://www.irs.gov/pub/irs-pdf/p594.pdf>



Publication 1660  
Collection Appeal Rights

<https://www.irs.gov/pub/irs-pdf/p1660.pdf>



Publication 2105  
Why do I have to pay taxes?

<https://www.irs.gov/pub/irs-pdf/p2105.pdf>



Tax professionals who are independent from the Internal Revenue Service (IRS) may be able to help you. Low Income Taxpayer Clinics (LITCs) can represent low-income persons before the IRS or in court. LITCs can also help persons who speak English as a second language. Any services provided by an LITC must be for free or a small fee. To find an LITC near you:

- Go to [www.taxpayeradvocate.irs.gov/litc](http://www.taxpayeradvocate.irs.gov/litc);
- Download IRS Publication 4134, Low Income Taxpayer Clinic List, available at <https://www.irs.gov/forms-instructions>; or by scanning this QR code.
- Call the IRS toll-free at 800-829-3676 and ask for a copy of Publication 4134.



State bar associations, state or local societies of accountants or enrolled agents, or other nonprofit tax professional organizations may also be able to provide referrals.

**You can get copies of tax forms, schedules, instructions, publications, and notices at [www.irs.gov](http://www.irs.gov), at your local IRS office, or by calling toll-free 1-800-TAX-FORM (829-3676).**



# Your Rights as a Taxpayer

Publication 1

This publication explains your rights as a taxpayer and the processes for examination, appeal, collection, and refunds. Also available in Spanish.

## The Taxpayer Bill of Rights

### 1. The Right to Be Informed

Taxpayers have the right to know what they need to do to comply with the tax laws. They are entitled to clear explanations of the laws and IRS procedures in all tax forms, instructions, publications, notices, and correspondence. They have the right to be informed of IRS decisions about their tax accounts and to receive clear explanations of the outcomes.

### 2. The Right to Quality Service

Taxpayers have the right to receive prompt, courteous, and professional assistance in their dealings with the IRS, to be spoken to in a way they can easily understand, to receive clear and easily understandable communications from the IRS, and to speak to a supervisor about inadequate service.

### 3. The Right to Pay No More than the Correct Amount of Tax

Taxpayers have the right to pay only the amount of tax legally due, including interest and penalties, and to have the IRS apply all tax payments properly.

### 4. The Right to Challenge the IRS's Position and Be Heard

Taxpayers have the right to raise objections and provide additional documentation in response to formal IRS actions or proposed actions, to expect that the IRS will consider their timely objections and documentation promptly and fairly, and to receive a response if the IRS does not agree with their position.

### 5. The Right to Appeal an IRS Decision in an Independent Forum

Taxpayers are entitled to a fair and impartial administrative appeal of most IRS decisions, including many penalties, and have the right to receive a written response regarding the Office of Appeals' decision. Taxpayers generally have the right to take their cases to court.

### 6. The Right to Finality

Taxpayers have the right to know the maximum amount of time they have to challenge the IRS's position as well as the maximum amount of time the IRS has to audit a particular tax year or collect a tax debt. Taxpayers have the right to know when the IRS has finished an audit.

### 7. The Right to Privacy

Taxpayers have the right to expect that any IRS inquiry, examination, or enforcement action will comply with the law and be no more intrusive than necessary, and will respect all due process rights, including search and seizure protections, and will provide, where applicable, a collection due process hearing.

### 8. The Right to Confidentiality

Taxpayers have the right to expect that any information they provide to the IRS will not be disclosed unless authorized by the taxpayer or by law. Taxpayers have the right to expect appropriate action will be taken against employees, return preparers, and others who wrongfully use or disclose taxpayer return information.

### 9. The Right to Retain Representation

Taxpayers have the right to retain an authorized representative of their choice to represent them in their dealings with the IRS. Taxpayers have the right to seek assistance from a Low Income Taxpayer Clinic if they cannot afford representation.

### 10. The Right to a Fair and Just Tax System

Taxpayers have the right to expect the tax system to consider facts and circumstances that might affect their underlying liabilities, ability to pay, or ability to provide information timely. Taxpayers have the right to receive assistance from the Taxpayer Advocate Service if they are experiencing financial difficulty or if the IRS has not resolved their tax issues properly and timely through its normal channels.

#### The IRS Mission

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.



# Examinations, Appeals, Collections, and Refunds

## Examinations (Audits)

We accept most taxpayers' returns as filed. If we inquire about your return or select it for examination, it does not suggest that you are dishonest. The inquiry or examination may or may not result in more tax. We may close your case without change; or, you may receive a refund.

The process of selecting a return for examination usually begins in one of two ways. First, we use computer programs to identify returns that may have incorrect amounts. These programs may be based on information returns, such as Forms 1099 and W-2, on studies of past examinations, or on certain issues identified by compliance projects. Second, we use information from outside sources that indicates that a return may have incorrect amounts. These sources may include newspapers, public records, and individuals. If we determine that the information is accurate and reliable, we may use it to select a return for examination.

Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund, explains the rules and procedures that we follow in examinations. The following sections give an overview of how we conduct examinations.

### By Mail

We handle many examinations and inquiries by mail. We will send you a letter with either a request for more information or a reason why we believe a change to your return may be needed. You can respond by mail or you can request a personal interview with an examiner. If you mail us the requested information or provide an explanation, we may or may not agree with you, and we will explain the reasons for any changes. Please do not hesitate to write to us about anything you do not understand.

### By Interview

If we notify you that we will conduct your examination through a personal interview, or you request such an interview, you have the right to ask that the examination take place at a reasonable time and place that is convenient for both you and the IRS. If our examiner proposes any changes to your return, he or she will explain the reasons for the changes. If you do not agree with these changes, you can meet with the examiner's supervisor.

### Repeat Examinations

If we examined your return for the same items in either of the 2 previous years and proposed no change to your tax liability, please contact us as soon as possible so we can see if we should discontinue the examination.

### Appeals

If you do not agree with the examiner's proposed changes, you can appeal them to

the Appeals Office of the IRS. Most differences can be settled without expensive and time-consuming court trials. Your appeal rights are explained in detail in both Publication 5, Your Appeal Rights and How To Prepare a Protest If You Don't Agree, and Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund.

If you do not wish to use the Appeals Office or disagree with its findings, you may be able to take your case to the U.S. Tax Court, U.S. Court of Federal Claims, or the U.S. District Court where you live. If you take your case to court, the IRS will have the burden of proving certain facts if you kept adequate records to show your tax liability, cooperated with the IRS, and meet certain other conditions. If the court agrees with you on most issues in your case and finds that our position was largely unjustified, you may be able to recover some of your administrative and litigation costs. You will not be eligible to recover these costs unless you tried to resolve your case administratively, including going through the appeals system, and you gave us the information necessary to resolve the case.

## Collections

Publication 594, The IRS Collection Process, explains your rights and responsibilities regarding payment of federal taxes. It describes:

- What to do when you owe taxes. It describes what to do if you get a tax bill and what to do if you think your bill is wrong. It also covers making installment payments, delaying collection action, and submitting an offer in compromise.
- IRS collection actions. It covers liens, releasing a lien, levies, releasing a levy, seizures and sales, and release of property.
- IRS certification to the State Department of a seriously delinquent tax debt, which will generally result in denial of a passport application and may lead to revocation of a passport.

Your collection appeal rights are explained in detail in Publication 1660, Collection Appeal Rights.

## Innocent Spouse Relief

Generally, both you and your spouse are each responsible for paying the full amount of tax, interest, and penalties due on your joint return. However, if you qualify for innocent spouse relief, you may be relieved of part or all of the joint liability. To request relief, you must file Form 8857, Request for Innocent Spouse Relief. For more information on innocent spouse relief, see Publication 971, Innocent Spouse Relief, and Form 8857.

## Potential Third Party Contacts

Generally, the IRS will deal directly with you or your duly authorized representative.

However, we sometimes talk with other persons if we need information that you have been unable to provide, or to verify information we have received. If we do contact other persons, such as a neighbor, bank, employer, or employees, we will generally need to tell them limited information, such as your name. The law prohibits us from disclosing any more information than is necessary to obtain or verify the information we are seeking. Our need to contact other persons may continue as long as there is activity in your case. If we do contact other persons, you have a right to request a list of those contacted. Your request can be made by telephone, in writing, or during a personal interview.

## Refunds

You may file a claim for refund if you think you paid too much tax. You must generally file the claim within 3 years from the date you filed your original return or 2 years from the date you paid the tax, whichever is later. The law generally provides for interest on your refund if it is not paid within 45 days of the date you filed your return or claim for refund. Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund, has more information on refunds.

If you were due a refund but you did not file a return, you generally must file your return within 3 years from the date the return was due (including extensions) to get that refund.

## Taxpayer Advocate Service

TAS is an *independent* organization within the IRS that can help protect your taxpayer rights. We can offer you help if your tax problem is causing a hardship, or you've tried but haven't been able to resolve your problem with the IRS. If you qualify for our assistance, which is always free, we will do everything possible to help you. Visit [www.taxpayeradvocate.irs.gov](http://www.taxpayeradvocate.irs.gov) or call 1-877-777-4778.

## Tax Information

The IRS provides the following sources for forms, publications, and additional information.

- **Tax Questions:** 1-800-829-1040 (1-800-829-4059 for TTY/TDD)
- **Forms and Publications:** 1-800-829-3676 (1-800-829-4059 for TTY/TDD)
- **Internet:** [www.irs.gov](http://www.irs.gov)
- **Small Business Ombudsman:** A small business entity can participate in the regulatory process and comment on enforcement actions of the IRS by calling 1-888-REG-FAIR.
- **Treasury Inspector General for Tax Administration:** You can confidentially report misconduct, waste, fraud, or abuse by an IRS employee by calling 1-800-366-4484 (1-800-877-8339 for TTY/TDD). You can remain anonymous.



# The **IRS** Collection Process

**Publication 594**

This publication provides a general description of the IRS collection process. The collection process is a series of actions that the IRS can take to collect the taxes you owe if you don't voluntarily pay them. The collection process will begin if you don't make your required payments in full and on time, after receiving your bill.

Please keep in mind that this publication is for information only, and may not account for every tax collection scenario. It's also not a technical analysis of tax law and does not include a detailed explanation of your rights. For an explanation of your rights, please see [Publication 1](#), Your Rights as a Taxpayer.

## **If you have questions or need help**

Please visit [IRS.gov](https://www.irs.gov) for your tax needs. You can get answers to your tax questions from the Interactive Tax Assistant [IRS.gov/ITA](https://www.irs.gov/ITA). You can also check [IRS.gov/Forms-&-Pubs](https://www.irs.gov/Forms-&-Pubs) to find all the IRS tax forms and publications mentioned here and the IRS video portal at [www.irsvideos.gov](https://www.irsvideos.gov) to view informational videos on a variety of topics in this publication.

You can also call the number on your bill or visit your local IRS office for assistance. If you don't have a bill, please go to the [IRS.gov/payments](https://www.irs.gov/payments) page and click on View Your Balance or call 1-800-829-1040 (individuals) or 1-800-829-4933 (businesses). Before visiting your local IRS office, check the "Services Provided" and the hours of operation at [www.irs.gov/localcontacts](https://www.irs.gov/localcontacts). Use the "Office Locator" link by entering your zip code to locate the nearest office which will give you the office address, hours of operation, and services provided.

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## Overview: Filing a tax return, billing, and collection

After you file your tax return and/or a final decision is made establishing your correct tax, we record the amount in our records. If you owe, we will send a bill for the amount due, including any penalties and interest. If you don't pay or make arrangements to pay, we can take actions to collect the debt. Our goal is to work with you to resolve your debt before we take collection actions. If your bill is for an individual shared responsibility payment as a result of the Affordable Care Act, the amount owed is not subject to the failure to pay penalty, levies or the filing of a Notice of Federal Tax Lien. However, interest will continue to accrue and the Service may offset federal tax refunds until the balance is paid in full.

### → General steps from billing to collection

**You file your tax return.** Most returns are filed annually (by April 15th) or quarterly (businesses with employees).



1. **If you owe taxes, we will send you a bill.** This is your first bill for tax due. Based on your return, we will calculate how much tax you owe, plus any interest and penalties.



2. **If you don't pay your first bill, we will send you at least one more bill.** Remember, interest and penalties continue to accrue until you've paid your full amount due.



3. **If you still don't pay after you receive your final bill, we will begin collection actions.** Collection actions can range from applying your subsequent tax year refunds to tax due (until paid in full) to seizing your property and assets. This could include an unannounced visit from a Revenue Officer to your home or business. See [Role of the Revenue Officer](#)

### → What you should do when you get an IRS bill

**If you agree with the information on the bill,** pay the full amount before the due date. If you can't pay the full amount due, pay as much as you can and visit [www.irs.gov/payments](http://www.irs.gov/payments) to consider our online payment options. Our online payment options include the Online Payment Agreement application which allows you to set up an installment agreement online. If you do not qualify for our online payment options, immediately contact us by calling the telephone number on your bill to explain your situation. You should have your financial information available, including your monthly income and expenses. Based on your ability to pay, we may provide you with alternate payment options such as setting up an installment agreement online.

**If you disagree with the information on the bill,** call the number on it, or visit your local IRS office. Be sure to have a copy of the bill and any tax returns, cancelled checks, or other records that will help us understand why you believe your bill is wrong. If we find that you're right, we will adjust your account and, if necessary, send a revised bill.

**If you don't pay the amount due or tell us why you disagree with it,** we may take collection actions.

**If you are in bankruptcy,** please notify us immediately. The bankruptcy may not eliminate your tax debt, but we may temporarily stop collection. Call the number on your bill or 1-800-973-0424. Have the following information available: the location of court, bankruptcy date, chapter and bankruptcy number.

### → Who to contact for help

#### The Internal Revenue Service

Make IRS.gov your first stop for your tax needs. You can find answers with the Interactive Tax Assistant at [IRS.gov/ITA](http://IRS.gov/ITA). Please don't hesitate to contact us with any questions you may have. Call the number on your bill or 1-800-829-1040. You can find answers to your questions at [IRS.gov](http://IRS.gov) or by visiting your local IRS office to speak with an IRS representative in person.

### Taxpayer Advocate Service

The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service that helps taxpayers and protects taxpayer rights. They help taxpayers whose problems with the IRS are causing financial difficulties, who've tried but have not been able to resolve their problems with the IRS, or believe an IRS system or procedure isn't working as it should. Their service is free. Your local advocate's number is at [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov) and in your local directory. You can also call them at 1-877-777-4778. For more information about TAS and your rights under the Taxpayer Bill of Rights, go to [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov).

### Low Income Taxpayer Clinics

Assistance can be obtained from individuals and organizations that are independent from the IRS. IRS [Publication 4134](#), provides a listing of *Low Income Taxpayer Clinic List (LITCs)* and is available at [www.irs.gov](http://www.irs.gov). Also, see the LITC page at [www.taxpayeradvocate.irs.gov/litcmap](http://www.taxpayeradvocate.irs.gov/litcmap). Assistance may also be available from a referral system operated by a state bar association, a state or local society of accountants or enrolled agents or another nonprofit tax professional organization. The decision to obtain assistance from any of these individuals and organizations will not result in the IRS giving preferential treatment in the handling of the issue, dispute or problem. You don't need to seek assistance to contact them. They will be pleased to deal with you directly and help you resolve your situation.

## Ways to pay your taxes

To explore all of your payment options visit [IRS.gov/payments](http://IRS.gov/payments). To minimize interest and penalties, we recommend paying your taxes in full. However, if you're unable to pay in full, you can request an Installment Agreement or Offer in Compromise. These payment plans allow you to pay your taxes in installments over time, to pay less than you owe, or both. It's also important to stay current on your payments for future taxes. This means making your estimated tax payments, withholding payments, or federal tax deposits as required by law.

### → Options for paying in full

#### Electronic payments

We offer several electronic payment options. You can pay online, by phone or from your mobile device with the IRS2Go app. Go to [IRS.gov/payments](http://IRS.gov/payments) for the payment options, telephone numbers and easy secure ways to pay your taxes.

#### IRS Direct Pay

IRS Direct Pay is free and available at [IRS.gov/DirectPay](http://IRS.gov/DirectPay), where you can securely pay your taxes directly from your checking or savings accounts without any fees or pre-registration. Schedule payments up to 30 days in advance, and receive instant confirmation that you submitted your payment

#### Debit or credit card

You can pay your taxes by debit or credit card. Both paper and electronic filers can pay their taxes by phone or online through any of the authorized debit and credit card processors. Though the IRS does not charge a fee for this service, the card processors do. Go to [IRS.gov/payments](http://IRS.gov/payments) for authorized card processors and their phone numbers.

#### IRS2Go

To pay your federal taxes quickly on the go, use the IRS2Go mobile app. IRS2Go provides easy access to Direct Pay, offering you a free, secure way to pay directly from your checking or savings account. You can also make a debit or credit card payment through an approved payment processor for a fee. You can download IRS2Go from Google Play Store, the Apple App Store or Amazon Appstore, to pay your taxes anytime, anywhere.

#### Electronic Federal Tax Payment System

The Electronic Federal Tax Payment System is a free service that gives taxpayers a safe and convenient way to pay individual and business taxes by phone or online. To enroll or for more information, visit [EFTPS.gov](http://EFTPS.gov) or call 800-555-4477.



## Cash

Taxpayers without bank accounts or if cash is their only option can pay using the new PayNearMe option. Because PayNearMe involves a three-step process, the IRS urges taxpayers choosing this option to start the process well ahead of the tax deadline to avoid interest and penalty charges. The IRS offers this option in cooperation with [OfficialPayments.com/fed](https://www.officialpayments.com/fed) and participating 7-Eleven stores in 34 states. Details, including answers to frequently-asked questions, are at [IRS.gov/paywithcash](https://www.irs.gov/paywithcash).

### Pay by mail or visit us in person at a local IRS office

You can mail a check to us at the address listed on your notice or bring it to your local IRS office. Make checks payable to the Department of the Treasury.

### → Options if you can't pay in full now

#### Apply for an Installment Agreement (Payment Plan)

An Installment Agreement with the IRS means that we will allow you to make smaller periodic payments over time if you can't pay the full amount at once. A setup fee applies to all agreements over 120 days. There are several ways to apply for an Installment Agreement:

- **Online, using the Online Payment Agreement application at [www.irs.gov/OPA](https://www.irs.gov/OPA).** You can apply online for a reduced setup fee if the total combined balance of individual income tax, penalty and interest you owe is \$50,000 or less. Short-term payment plans of 120-days or less and monthly installment agreements are available. If you own a business and owe \$25,000 or less in combined payroll taxes, penalty and interest for the current and prior calendar year, you can also use the Online Payment Agreement to request a installment agreement. To view an instructional video on the Online Payment Agreement application, visit [Online Payment Agreement](#).
- **By phone** Please call the number on your bill or 1-800-829-1040.
- **By mail** Please complete [Form 9465, Installment Agreement Request](#). In addition to Form 9465, if you want to make your payments by payroll deduction, complete [Form 2159, Payroll Deduction Agreement](#). If you owe more than \$50,000, you will also need to complete [Form 433F, Collection Information Statement](#). Mail your form to the address on your bill.
- **In person** at your local IRS office near you, please visit [www.irs.gov/localcontacts](https://www.irs.gov/localcontacts).

If you request a payment plan online you will receive immediate notification if your agreement is approved. If you request a payment plan by mail, you can reduce the accrual of penalties and interest by making voluntary payments until you're notified whether we've accepted your payment plan request. Our acceptance of your interim payments doesn't mean we've approved your request. We will notify you in writing once we've made our decision.

With an Installment Agreement, you can pay by direct debit, through payroll deductions, electronic funds transfer or check. The setup fee is reduced if you make your payments by direct debit. You can also pay a reduced user fee if you meet our low-income guidelines. The reduced fee can even be waived completely or reimbursed if you meet our low-income guidelines. For more information, see [Form 13844, Application for Reduced User Fee for Installment Agreements](#). You do not need to submit the user fee with your installment agreement application. The fee can be taken from the initial payments made once the installment agreement is accepted.

To be eligible for an Installment Agreement, you must file all required tax returns. Prior to approving your Installment Agreement request, we may ask you to complete a Collection Information Statement ([Form 433F](#), [433-A](#) and/or [Form 433-B](#)) and provide proof of your financial status. Please have your financial information available if you apply over the phone or at an IRS office. For more information, see [Publication 1854, How to Complete a Collection Information Statement \(Form 433-A\)](#).

If we approve your request, we will still charge applicable interest and penalties until you pay the balance due in full, and may file a Notice of

Federal Tax Lien (see page 5). If we reject your Installment Agreement request, you may request that the Office of Appeals review your case. For more information, see [Publication 1660, Collection Appeal Rights](#).

If you're unable to meet the terms of your approved Installment Agreement, please contact us immediately.

#### Apply for an Offer in Compromise

You may be eligible for an Offer in Compromise if you can't pay the amount you owe in full or through installments. By requesting an Offer in Compromise, you're asking to settle unpaid taxes for less than the full amount you owe. We may accept an Offer in Compromise if:

- We agree that your tax debt may not be accurate,
- You have insufficient assets and income to pay the amount due, or
- Because of your exceptional circumstances, paying the amount due would cause an economic hardship or would be unjust.

For an Offer in Compromise to be considered, you must pay an application fee and make an initial or periodic payment for all Form 656 submissions. However, low income taxpayers may qualify for a waiver of the application fee and initial or periodic payment. For more information, please see the Low-Income Certification form found in [Form 656-B, Offer in Compromise Booklet](#).

Before we can consider your offer, you must file all tax returns you are legally required to file, make all required estimated tax payments for the current year, and make all required federal tax deposits for the current quarter. We can't consider your offer if you are in bankruptcy or and generally if you are currently undergoing an audit. Use the [Offer in Compromise Pre-Qualifier](#) to explore the possibility that the Offer in Compromise program may be a realistic option to resolve your balance due. To apply for an Offer in Compromise, complete one of the following forms:

- [Form 656-L, Offer in Compromise \(Doubt as to Liability\)](#)  
Complete this if there is a genuine dispute as to the existence or amount of the correct tax debt under the law.
- [Form 656, Offer in Compromise](#)  
Complete this if you're unable to pay the amount due, or have an economic hardship, or have another special circumstance that would cause paying the amount due to be unjust.

For more information, see [Form 656-B, Offer in Compromise Booklet](#) or visit [www.irs.gov/Individuals/Offer-in-Compromise-1](https://www.irs.gov/Individuals/Offer-in-Compromise-1).

### → If you are unable to pay at this time

#### Ask that we delay collection and report your account as currently not collectable

If you can't pay any of the amount due because payment would prevent you from meeting basic living expenses, you can request that we delay collection until you're able to pay. Prior to approving your request, we may ask you to complete a Collection Information Statement and provide proof of your financial status. Please remember that even if we delay collection, we will still charge applicable penalties and interest until you pay the full amount, and we may file a Notice of Federal Tax Lien (see page 5). We may also request updated financial information during this temporary delay to review your ability to pay.

### → How long we have to collect taxes

We can attempt to collect your taxes up to 10 years from the date they were assessed. However, there are ways this time period can be suspended. For example, by law, the time to collect may be suspended while:

- We're considering your request for an Installment Agreement or Offer in Compromise. If your request is rejected, we will suspend collection for another 30 days, and during any period the Appeals Office is considering your appeal request.
- You live outside the U.S. continuously for at least 6 months. Collection is suspended while you're outside the U.S.
- The tax periods we're collecting on are included in a bankruptcy with an automatic stay. We will suspend collection for the time period we can't collect because of the automatic stay, plus 6 months.

- You request a Collection Due Process hearing. Collection will be suspended from the date of your request until a Notice of Determination is issued or the Tax Court's decision is final.
- We're considering your request for Innocent Spouse Relief. Collection will be suspended from the date of your request until 90 days after a Notice of Determination is issued, or if you file a timely petition to the Tax Court, until 60 days after the Tax Court's final decision. If you appeal the Tax Court's decision to a U.S. Court of Appeals, the collection period will begin 60 days after the appeal is filed, unless a bond is posted.

### → How to appeal an IRS decision

You have the right to appeal most collection actions to the IRS Office of Appeals (Appeals). Appeals is separate from and independent of the IRS Collection office that initiates collection actions. Appeals ensures and protects its independence by adhering to a strict policy prohibiting certain communications with the IRS Collection office or other IRS offices, such as discussions regarding the strength or weakness of your case. When an IRS office is to be engaged in discussions, you will be invited to participate in the conference, or provided any written document to give you an opportunity to comment. Your main options for appeals are the following: Collection Due Process or Collection Appeals Program

#### Collection Due Process

The purpose of a Collection Due Process hearing is to have Appeals review collection actions that were taken or have been proposed. After Appeals has made their determination and you do not agree, you can go to court to appeal the Appeals' Collection Due Process determination. You can request a Collection Due Process hearing if you receive any of the following notices:

- Notice of Federal Tax Lien Filing and Your Right to a Hearing
- Final Notice—Notice of Intent to Levy and Notice of Your Right to a Hearing
- Notice of Jeopardy Levy and Right of Appeal
- Notice of Levy on Your State Tax Refund—Notice of Your Right to a Hearing
- Notice of Levy and of Your Right to a Hearing

To request a Collection Due Process hearing, complete [Form 12153, Request for a Collection Due Process or Equivalent Hearing](#) or a written request containing the same information as contained in Form 12153, and send it to the address on your notice. You must request a Collection Due Process hearing by the date indicated in the notice we send you (for proposed levies, that date is 30 days from the date of the letter). The request must be filed timely to preserve your right to judicial review of the determination issued in your Collection Due Process hearing. If your request for a Collection Due Process hearing is not timely, you can request an Equivalent Hearing within one year from the date of the notice, but you cannot go to court if you disagree with Appeals' decision.

During a Collection Due Process hearing, the 10-year period for collecting taxes is suspended and we are generally prohibited from seizing (levying) your property, if seizing your property is the subject of the hearing. We are permitted to seize your property during an Equivalent Hearing or a Collection Due Process hearing about filing of a Notice of Federal Tax Lien, but normally we will not seize property during these hearings. The 10-year period for collecting taxes is not suspended during an Equivalent Hearing.

You are entitled to only one Collection Due Process lien hearing and one levy hearing for each tax period or assessment. You are entitled to propose collection alternatives, such as entering into an installment agreement or an offer-in-compromise, for consideration by Appeals in the hearing. It may be necessary for you to submit financial information or tax returns to qualify for such collection alternatives.

All issues should be raised and all necessary supporting information presented to Appeals at the hearing. You are prevented from

raising issues during a judicial review that were not properly raised with Appeals in the Collection Due Process hearing. Your Appeals conference may be held by telephone, correspondence, or, if you qualify, in a face-to-face conference at the Appeals office closest to your home or place of business. You may be denied a face-to-face conference if you raise issues that are deemed frivolous or made with a desire solely to delay or impede collection. For a nonexclusive listing of issues identified by the IRS as frivolous, see "[The Truth About Frivolous Tax Arguments](#)" on IRS.gov. For more information about Collection Due Process see [Publication 1660](#).

#### Collection Appeals Program

Under the Collections Appeals Program, if you disagree with an IRS employee's decision regarding any levy, seizure, or Notice of Federal Tax Lien filing and want to appeal it, you can ask to have a conference with the employee's manager. If we seize your house, car, or other property in order to sell your interest in the property to apply the proceeds to your tax debt, you must make the request within 10 business days after the Notice of Seizure is given to you or left at your home or business. There is no deadline to request a manager conference when a levy is served for other types of property (such as wages or bank accounts) or a levy or seizure or Notice of Federal Tax Lien filing is proposed. The collection action may go forward if a conference is not requested within a reasonable time period.

If you then disagree with the manager's decision, you may request the IRS Office of Appeals review your case under the Collection Appeals Program as outlined in [Publication 1660](#). If your case is assigned to a Revenue Officer, your request for Appeals consideration should be made within three (3) business days of the conference with the manager or collection actions may resume. You must submit your request for Appeals consideration in writing, preferably on [Form 9423, Collection Appeal Request](#). If your case is not assigned to a Revenue Officer, you can appeal the manager's decision in writing or orally and your case will be forwarded to Appeals for review. Your request for Appeals consideration should be made within three (3) business days of the conference with the manager or collection actions may resume.

If you request a conference and are not contacted by a manager or his/her designee within two (2) business days of making the request, you may contact Collection again and request Appeals consideration. If you submit [Form 9423](#), note the date of your request for a conference in Block 15 and indicate that you were not contacted by a manager. The [Form 9423](#) should be received or postmarked within four (4) business days of your request for a conference as collection action may resume. Submit [Form 9423](#) to the Revenue Officer involved in the lien, levy or seizure action.

If you file a Collection Appeals Request and do not agree with Appeals decisions, you cannot proceed to court.

Instances in which you can pursue the Collection Appeals Program include, but aren't limited to:

- Before or after we file a Notice of Federal Tax Lien
- Before or after we seize ("levy") your property
- After we reject, terminate, or propose to terminate your Installment Agreement (a conference with the manager is recommended, but not required). Submit your written Installment Agreement Appeal request, preferably using [Form 9423, Collection Appeal Request](#), within the timeframe listed in your notice.

For more information about the Collection Due Process and Collection Appeals Program, please see [Publication 1660](#), Collection Appeal Rights or visit [www.irs.gov/Individuals/Appealing-a-Collection-Decision](http://www.irs.gov/Individuals/Appealing-a-Collection-Decision).

### If you don't pay on time: Understanding collection actions

There are several words and phrases particular to the collection process. Here, we've defined some of the most common collection terms:

**Federal Tax Lien:** A legal claim against all your current and future property, such as a house or car, and rights to property, such as wages and bank accounts. The lien automatically comes into existence if you don't pay your amount due after receiving your first bill.

**Notice of Federal Tax Lien:** A public notice to creditors. It notifies them that there is a federal tax lien that attaches to all your current and future property and rights to property.

**Levy:** A legal seizure of property or rights to property to satisfy a tax debt. When property is seized ("levied"), it will be sold to help pay your tax debt. If wages or bank accounts are seized, the money will be applied to your tax debt.

**Seizure:** There is no legal difference between a seizure and a levy. Throughout this publication, we will use both terms interchangeably.

**Notice of Intent to Levy and Notice of Your Right to a Hearing:** Generally, before property is seized, we have to send you this notice. If you don't pay your overdue taxes, make other arrangements to satisfy the tax debt, or request a hearing within 30 days of the date of this notice, we may seize your property.

**Summons:** A summons legally compels you or a third party to meet with the IRS and provide information, documents or testimony.

**Passport Actions:** The Department of State will not issue or renew a passport to any individual who has been certified by the IRS as having a seriously delinquent tax debt, and may revoke a passport previously issued to such individual.

## Collection actions in detail

### → Federal Tax Lien: A legal claim against property

A lien is a legal claim against all your current and future property. When you don't pay your first bill for taxes due, a lien is created by law and attaches to your property. It applies to property (such as your home and car) and to any current and future rights you have to property.

### → Notice of Federal Tax Lien: Provides public notice to creditors that a lien exists

A Notice of Federal Tax Lien gives public notice to creditors. We file the Notice of Federal Tax Lien so we can establish the priority of our claim versus the claims of other creditors. The Notice of Federal Tax Lien is filed with local or state authorities, such as county recorder of deeds or the Secretary of State offices.

If a Notice of Federal Tax Lien is filed against you, it may be reported by consumer credit reporting agencies. This can have a negative effect on your credit rating and make it difficult for you to receive credit (such as a loan or credit card). Employers, landlords and others may also use this information and not favorably view the fact that a Notice of Federal Tax Lien has been filed against you. However by law, there will be no filing of the Notice of Federal Tax Lien and no levies issued to collect an individual shared responsibility payment associated with the Affordable Care Act.

### What to do if a Notice of Federal Tax Lien is filed against you

You should pay the full amount you owe immediately. The Notice of Federal Tax Lien only shows your assessed balance as of the date of the notice. It doesn't show your payoff balance or include our charges for filing and releasing the lien. To find out the full amount you must pay to have the lien released, call 1-800-913-6050 or 859-320-3526 if you are calling from outside of the United States. If you have questions, call the number on your lien notice or 1-800-829-1040 or visit [www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Understanding-a-Federal-Tax-Lien](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Understanding-a-Federal-Tax-Lien), or view instructional videos at [www.irsvideos.gov/Individual/IRSLiens](http://www.irsvideos.gov/Individual/IRSLiens).

### How to appeal a Notice of Federal Tax Lien

Within five business days of the first filing of the Notice of Federal Tax Lien for a specific debt, we will send you a Notice of Federal Tax Lien Filing and Your Right to a Collection Due Process Hearing. You'll have until the date shown on the notice to request a Collection Due Process

hearing with the Office of Appeals. Send your Collection Due Process hearing request to the address on the notice. For more information, see [Form 12153, Request for a Collection Due Process or Equivalent Hearing](#).

After your Collection Due Process hearing, the Office of Appeals will issue a determination on whether the Notice of Federal Tax Lien should remain filed, or whether it should be withdrawn or released. If you disagree with the determination, you have 30 days after it's made to seek a review in the U.S. Tax Court.

In addition to any Collection Due Process rights you may have, you may also appeal a proposed or actual filing of a Notice of Federal Tax Lien under the Collection Appeals Program.

### Reasons we will "release" a Federal Tax Lien

A "release" of a Federal Tax Lien means that we have cleared both the lien for your debt and the public Notice of Federal Tax Lien. We do this by filing a Certificate of Release of Federal Tax Lien with the same state and local authorities with whom we filed your Notice of Federal Tax Lien. We will release your lien if:

- Your debt is fully paid,
- Payment of your debt is guaranteed by a bond, or
- You have met the payment terms of an Offer in Compromise which the IRS has accepted, or
- The period for collection has ended. (In this case, the release is automatic.)

For more information, see [Publication 1450, Instructions on How to Request a Certificate of Release of Federal Tax Lien](#).

### Reasons we may "withdraw" a Notice of Federal Tax Lien

A "withdrawal" removes the Notice of Federal Tax Lien from public record. The withdrawal tells other creditors that we're abandoning our lien priority. This doesn't mean that the federal tax lien is released or that you're no longer liable for the amount due.

We may withdraw a Notice of Federal Tax Lien if:

- You've entered into an Installment Agreement to satisfy the tax liability, unless the Agreement provides otherwise. For certain types of taxes, we routinely grant Notice of Federal Tax Lien withdrawal requests if you've entered into a direct debit installment agreement and meet certain other conditions,
- It will help you pay your taxes more quickly,
- We didn't follow IRS procedures,
- It was filed during a bankruptcy automatic stay period, or
- It's in your best interest and in the best interest of the government. For example, this could include when your debt has been satisfied and you request a withdrawal.

For more information, see [Form 12277, Application for Withdrawal of Filed Notice of Federal Tax Lien](#) or the instructional video at [www.irsvideos.gov/Individual/IRSLiens/LienNoticeWithdrawal](http://www.irsvideos.gov/Individual/IRSLiens/LienNoticeWithdrawal).

### How to apply for a "discharge" of a Federal Tax Lien from property

A "discharge" removes specific property from the federal tax lien. There are several circumstances under which a discharge may be granted. For example, we may issue a Certificate of Discharge if you're selling property and the government receives its interest through the sale. For more information on whether you qualify for a discharge, see [Publication 783, Instructions on How to Apply for a Certificate of Discharge of Property from Federal Tax Lien](#). To watch an instructional video about Publication 783, visit [www.irsvideos.gov/Individual/IRSLiens](http://www.irsvideos.gov/Individual/IRSLiens).

### How to make the Federal Tax Lien secondary to other creditors ("subordination")

A "subordination" is where a creditor is allowed to move ahead of the government's priority position. For example, if you're trying to refinance a mortgage on your home, but aren't able to because the federal tax lien has priority over the new mortgage, you may request that we subordinate our lien to the new mortgage. For more information on



whether you qualify for a subordination, see [Publication 784, How to Prepare an Application for a Certificate of Subordination of Federal Tax Lien](#). To watch an instructional video about Publication 784, visit [www.irsvideos.gov/Individual/IRSLiens](http://www.irsvideos.gov/Individual/IRSLiens).

### Appeal rights for withdrawal, discharge or subordination

If your application is denied you will receive [Form 9423, Collection Appeal Request](#) and [Publication 1660, Collection Appeal Rights](#), with an explanation of why your application was denied. If we deny your request for a withdrawal, discharge, or subordination, you may appeal under the Collections Appeals Program.

### → Levy: A seizure of property

While a federal tax lien is a legal claim against your property, a levy is a legal seizure that actually takes your property (such as your house or car) or your rights to property (such as your income, bank account, retirement account or Social Security payments) to satisfy your tax debt.

We can't seize your property if you have a current or pending Installment Agreement, Offer in Compromise, or if we agree that you're unable to pay due to economic hardship, meaning seizing your property would result in your inability to meet basic, reasonable living expenses.

### Reasons we may seize ("levy") your property or rights to property

If you don't pay your taxes (or make arrangements to settle your debt), we could seize and sell your property. We will not seize your property to collect an individual shared responsibility payment. We usually seize only after the following things have occurred.

- We assessed the tax and sent you a bill,
- You neglected or refused to pay the tax, and
- We sent you a Final Notice of Intent to Levy and Notice of Your Right to a Hearing at least 30 days before the seizure.

However, there are exceptions for when we don't have to offer you a hearing at least 30 days before seizing your property. These include situations when:

- The collection of the tax is in jeopardy,
- A levy is served to collect tax from a state tax refund,
- A levy is served to collect the tax debt of a federal contractor, or
- A Disqualified Employment Tax Levy (DETL) is served. A DETL is the seizure of unpaid employment taxes and can be served when a taxpayer previously requested a Collection Due Process appeal on employment taxes for other periods within the past 2 years.

If we serve a levy under one of these exceptions, we will send you a letter explaining the seizure and your appeal rights after the levy is issued.

### What you should do if your property is seized ("levied")

If your property or federal payments are seized, call the number on your levy notice or 1-800-829-1040. If you're already working with an IRS employee, call him or her for assistance.

### Examples of property we can seize ("levy")

- Wages, salary, or commission held by someone else. If we seize your rights to wages, salary, commissions, or similar payments that are held by someone else, we will serve a levy once, not each time you're paid. The one levy continues until your debt is fully paid, other arrangements are made, or the collection period ends, or the levy is released. Other payments you receive, such as dividends and payments on promissory notes, are also subject to seizure. However, the seizure only reaches the payments due or the right to future payments as of the date of the levy.
- Your bank account. Seizure of the funds in your bank account will include funds available for withdrawal up to the amount of the seizure. After the levy is issued, the bank will hold the available funds and give you 21 days to resolve any disputes about who owns the account before sending us the money. After 21 days, the bank will send us your money, and any interest earned on that amount, unless you have resolved the issue in another way.

- Your retirement account, including Qualified Pension, Profit Sharing, and Stock Bonus Plans under ERISA; IRAs, Retirement Plans for the Self-Employed (such as SEP-IRAs and Keogh Plans) and the Thrift Savings Plan. Depending on the terms of the plan a levy may attach to the funds in which you have a vested right.
- Your federal payments. As an alternative to the levy procedure used for other payments such as dividends and promissory notes, certain federal payments may be systemically seized through the Federal Payment Levy Program in order to pay your tax debt. Under this program, we can generally seize up to 15% of your federal payments (up to 100% of payments due to a vendor for property, goods or services sold or leased to the federal government). We will serve the levy once, not each time you are paid. The levy continues until your debt is fully paid, other arrangements are made, the collection period ends, or the IRS releases the levy. The federal payments that can be seized in this program include, but aren't limited to, federal retirement annuity income from the Office of Personnel Management, Social Security benefits under Title II of the Social Security Act (OASDI), and federal contractor/vendor payments.
- Your house, car, or other property. If we seize your house or other property, we will sell your interest in the property and apply the proceeds (after the costs of the sale) to your tax debt. Prior to selling your property, we will calculate a minimum bid price. We will also provide you with a copy of the calculation and give you an opportunity to challenge the fair market value determination. We will then provide you with the notice of sale and announce the pending sale to the public, usually through local newspapers or flyers posted in public places. After giving public notice, we will generally wait 10 days before selling your property. Money from the sale pays for the cost of seizing and selling the property and, finally, your tax debt. If there's money left over from the sale after paying off your tax debt, we will tell you how to get a refund.

### Property that can't be seized ("levied")

Certain property is exempt from seizure. For example, we can't seize the following: unemployment benefits, certain annuity and pension benefits, certain service-connected disability payments, worker's compensation, certain public assistance payments, minimum weekly exempt income, assistance under the Job Training Partnership Act, and income for court-ordered child support payments.

We also can't seize necessary schoolbooks and clothing, undelivered mail, certain amounts worth of fuel, provisions, furniture, personal effects for a household, and certain amounts worth of books and tools for trade, business, or professions. There are also limitations on our ability to seize a primary residence and certain business assets.

Lastly, we can't seize your property unless we expect net proceeds to help pay off your tax debt.

### How to appeal a proposed seizure ("levy")

You can request a Collection Due Process hearing within 30 days from the date of your Notice of Intent to Levy and Notice of Your Right to a Hearing. Send your request to the address on your notice. For more information, see [Form 12153, Request for a Collection Due Process or Equivalent Hearing](#). At the conclusion of your hearing, the Office of Appeals will provide a determination. You'll have 30 days after the determination to challenge it in the U.S. Tax Court. If Collection Due Process rights aren't available for your case, you may have other appeal options, such as the Collection Appeals Program.

### Reasons we "release" a levy

The Internal Revenue Code specifically provides that we must release a levy if we determine that:

- You paid the amount you owe,
- The period for collection ended prior to the levy being issued,
- It will help you pay your taxes,
- You enter into an Installment Agreement and the terms of the agreement don't allow for the levy to continue,

- The levy creates an economic hardship, meaning we've determined the levy prevents you from meeting basic, reasonable living expenses, or
- The value of the property is more than the amount owed and releasing the levy won't hinder our ability to collect the amount owed.

We will also release a levy if it was issued improperly. For example, we will release a levy if it was issued:

- Against property exempt from seizure,
- Prematurely,
- Before we sent you the required notice,
- While you were in bankruptcy and an automatic stay was in effect,
- When the expenses of seizing and selling the levied property would be greater than the fair market value of the property,
- While an Installment Agreement request, Innocent Spouse Relief request, or Offer in Compromise was being considered or had been accepted and was in effect, or
- While the Office of Appeals or Tax Court was considering a collection due process case and the levy wasn't a Disqualified Employment Tax Levy to collect employment taxes, a state refund, a jeopardy levy, or to collect the tax debt of federal contractor.
- While the Office of Appeals or Tax Court is considering an appeal of the denial of innocent spouse relief.

### Reasons we may return seized ("levied") property

We may return your property if:

- The seizure was premature,
- The seizure was in violation of the law,
- Returning the seized property will help our collection of your debt,
- You enter into an Installment Agreement to satisfy the liability for which the levy was made, unless the Agreement does not allow for the return of previously levied upon property.
- We didn't follow IRS procedures, or
- It's in your best interest and in the best interest of the government.

We may return property at any time if the property has not been sold. If we decided to return your property, but it's already sold, we will give you the money we received from the sale. You can file a request for return of seized money or money from the sale of seized property, generally up to 9 months after the seizure.

### How to recover seized ("levied") property that's been sold

To recover your real estate, you (and anyone with interest in the property) may recoup it within 180 days of the sale by paying the purchaser what they paid, plus interest at 20% annually, compounded daily.

### If your property has been seized ("levied") to collect tax owed by someone else, you may appeal the seizure under the Collection Appeals Program or file a claim under Internal Revenue Code section 6343(b), generally within 2 years of the seizure, or you may file a suit under Internal Revenue Code section 7426 for the return of the wrongfully seized property, generally within 2 years of the seizure.

You may also appeal the denial of the request to return the wrongfully seized property under the Collection Appeals Program. For more information, see [Publication 4528, Making an Administrative Wrongful Levy Claim under Internal Revenue Code section 6343\(b\)](#).

### How to recover economic damages

If we wrongfully seized your property, we lost or misplaced your payment, or there was a direct debit Installment Agreement processing error and you incurred bank charges, we may reimburse you for charges you paid. For more information, see [Form 8546, Claim for Reimbursement of Bank Charges](#). If your claim is denied, you can sue the federal government for economic damages.

If we intentionally or negligently didn't follow Internal Revenue law while collecting your taxes, or you're not the taxpayer and we wrongfully seized your property, you may be entitled to recover economic damages. Mail your written administrative claim to the attention of

the Advisory Group Manager for your area at the address listed in [Publication 4235, Collection Advisory Group Addresses](#). If you've filed a claim and your claim is denied, you can sue the federal government, but not the IRS employee, for economic damages.

### → Summons: Used to secure information

If we're having trouble gathering information to determine or collect taxes you owe, we may serve a summons. A summons legally compels you or a third party to meet with an officer of the IRS and provide information, documents and/or testimony.

### If you're responsible for a tax liability and we serve a summons on you, you may be required to:

- Testify,
- Bring books and records to prepare a tax return, and/or
- Produce documents to prepare a Collection Information Statement, [Form 433-A](#) or [Form 433-B](#).

**If you can't make your summons appointment**, immediately call the number listed on your notice. If you don't call us and don't attend your appointment, we may sue you in federal district court to require you to comply with the summons.

**If we serve a third-party summons to determine your tax liability**, you'll receive a notice indicating that we're contacting a third party. Third parties can be financial institutions, record keepers, or people with information relevant to your case. We won't review their information or receive testimony until the end of the 23rd day after the notice was given. You also have the right to:

- Petition to reject ("quash") the summons before the end of the 20th day after the date of the notice, or
- Petition to intervene in a suit to enforce a summons to which the third party didn't comply.

**If we issue a third-party summons to collect taxes you already owe**, you won't receive notice or be able to petition to reject or intervene in a suit to enforce the summons.

### → IRS action affecting passports

The Fixing America's Service Transportation (FAST) Act of 2015, enacted by Congress and signed into law on December 4, 2015, requires the Internal Revenue Service to notify the State Department of taxpayers certified as owing a seriously delinquent tax debt. Seriously delinquent tax debt means an unpaid, legally enforceable federal tax debt of an individual totaling more than \$51,000 (including penalties and interest) for which a Notice of Federal Tax lien has been filed and all administrative remedies under IRC § 6320 have lapsed or been exhausted, or a levy has been issued. If you are individually liable for tax debt (including penalties and interest) totaling more than \$51,000 and you do not pay the amount you owe or make alternate arrangements to pay, we may notify the State Department that your tax debt is seriously delinquent. The State department generally will not issue or renew, and may revoke, your passport after being notified of your seriously delinquent tax debt. For additional information on passport certification visit [www.irs.gov/passports](http://www.irs.gov/passports).

## Information for Taxpayers assigned to a Private Collection Agency

Your delinquent account could be assigned to a Private Collection Agency. We will notify you of the assignment before the Private Collection Agency contacts you and will send you [Publication 4518, What You Can Expect When the IRS Assigns You to a Private Collection Agency](#). The notice from us will contain the name of the Private Collection Agency we assigned your account to, along with the Private Collection Agency's address and phone number. To protect your privacy, our notice will also provide you with a unique ten-digit Taxpayer Authentication Number. Be sure to save this number. The Private Collection Agency will only work with you on your delinquent accounts after authenticating your identity using your Taxpayer Authentication Number. Our contracts with Private Collection Agencies

requires that they provide you with quality service and equitable treatment. For more information about the private debt collection program, visit [www.irs.gov/businesses/small-businesses-self-employed/private-debt-collection](http://www.irs.gov/businesses/small-businesses-self-employed/private-debt-collection).

## Information for employers: Collection of employment tax

### About employment taxes

Employment taxes are the amount you must withhold from your employees for their income tax and Social Security/Medicare tax (trust fund taxes) plus the amount of Social Security/Medicare tax you pay for each employee. Federal unemployment taxes are also considered employment taxes.

Employment taxes are incurred at the time you pay wages and generally paid in semi-weekly or monthly deposits. You must use electronic funds transfer to make all federal tax deposits, generally through the Electronic Federal Tax Payment System (EFTPS). See [Publication 966, \*Electronic Federal Tax Payment System: A Guide To Getting Started\*](#).

### What we will do if you don't pay your employment taxes:

- Assess a failure to deposit penalty, up to 15% of the amount not deposited in a timely manner.
- We may file a Notice of Federal Tax Lien and/or take levy action
- We may propose a Trust Fund Recovery Penalty assessment against the individuals responsible for failing to pay the trust fund taxes.
- We may refer this matter to the Department of Justice for civil collection or criminal prosecution for failure to adhere to the reporting and payment requirements mandated by the Internal Revenue Code.

### About trust fund taxes

Trust fund taxes are the income tax, Social Security tax, and Medicare tax (trust fund taxes) withheld from the employee's wages. They are called trust fund taxes because the employer holds these funds "in trust" for the government until it submits them in a federal tax deposit. Certain excise taxes are also considered trust fund taxes because they are collected and held in trust for the government until submitted in a federal tax deposit. For more information, see [Publication 510, \*Excise Taxes\*](#).

To encourage prompt payment of withheld employment taxes and collected excise taxes, Congress has passed a law that provides for the Trust Fund Recovery Penalty.

For more information on employment taxes or trust fund taxes, see [Publication 15, \*Circular E, Employer's Tax Guide\*](#).

### Trust Fund Recovery Penalty

The Trust Fund Recovery Penalty is a penalty that is assessed personally against the individual or individuals who were responsible for paying the trust fund taxes, but who willfully did not do so. The amount of the penalty is equal to the amount of the unpaid trust fund taxes. For additional information, please see [Notice 784, \*Could You be Personally Liable for Certain Unpaid Federal Taxes?\*](#) or visit [www.irs.gov/TFRP](http://www.irs.gov/TFRP).

**If the Trust Fund Recovery Penalty is proposed against you**, you'll receive a Letter 1153 and Form 2751, *Proposed Assessment of Trust Fund Recovery Penalty*.

**If you agree with the penalty**, sign and return Form 2751 within 60 days from the date of the letter. To avoid the assessment of the Trust Fund Recovery Penalty, you may also pay the trust fund taxes personally.

**If you disagree with the penalty**, you have 10 days from the date of the letter to let us know that you don't agree with the proposed assessment, have additional information to support your case, or want to try to resolve the matter informally. If you can't resolve the disagreement with us, you have 60 days from the date of the Letter

1153 to appeal with the Office of Appeals. For more information, see [Publication 5, \*Your Appeal Rights and How to Prepare a Protest if You Don't Agree\*](#).

**If you don't respond to the letter**, we will assess the penalty amount against you personally and begin the collection process to collect it. We may assess this penalty against a responsible person regardless of whether the company is still in business.

## Additional information

### Innocent Spouse Relief

Generally, both you and your spouse are responsible, jointly and individually, for paying any tax, interest, or penalties on your joint return. If you believe your current or former spouse should be solely responsible for an incorrect item or an underpayment of tax on your joint tax return, you may be eligible for Innocent Spouse Relief. This could change the amount you owe, or you may be entitled to a refund. You must submit [Form 8857, \*Request for Innocent Spouse Relief\*](#), no later than two years from the date of our first attempt to collect the outstanding debt, except for requests for equitable relief under Internal Revenue Code section 6015(f). For additional information, see [Publication 971, \*Innocent Spouse Relief\*](#).

### Representation during the collection process

During the collection process, or an appeal before the IRS Office of Appeals you can be represented by yourself, an attorney, a certified public accountant, an enrolled agent, an immediate family member, or any person enrolled to practice before the IRS. If you're a business, full-time employees, general partners, or bona fide officers can also represent you.

To have your representative appear before us, contact us on your behalf, and/or receive your confidential material, file [Form 2848, \*Power of Attorney and Declaration of Representative\*](#).

To authorize someone to receive or inspect confidential material, file [Form 8821, \*Tax Information Authorization\*](#).

### Sharing your tax information

During the collection process, we're authorized to share your tax information in some cases with city and state tax agencies, the Department of Justice, federal agencies, people you authorize to represent you, and certain foreign governments (under tax treaty provisions).

### We may contact a third party

The law allows us to contact others (such as neighbors, banks, employers, or employees) to investigate your case. You have the right to request a list of third parties contacted about your case.

### Past Due Tax Returns

File all tax returns that are due, regardless of whether or not you can pay in full. File a past due return at the same location where you would file an on-time return.

If you do not voluntarily file your individual income tax return you risk losing your refund and we may file a substitute return for you. This return might not give you credit for deductions and exemptions you may be entitled to receive. We may send you a Notice of Deficiency proposing a tax assessment. Filing a past due return after the Notice of Deficiency was sent does not extend the 90 day period for filing a petition to the United States Tax Court. However, the past due return will be considered in determining whether there will be a reduction in the amount of tax increase previously proposed in the Notice of Deficiency. If you do not file a petition in Tax Court and a tax increase has been determined, we will proceed with our proposed assessment as a substitute return. If the IRS files a substitute return, it is still in your best interest to file your own tax return to take advantage of any exemptions, credits and deductions you are entitled to receive. The IRS will generally adjust your account to reflect the correct figures.





# Instructions for Requesting a Certificate of Release of Federal Tax Lien

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Section 6325(a) of the Internal Revenue Code directs us to release a Federal tax lien within 30 days of when the liability is fully paid or becomes legally unenforceable, or the IRS accepts a bond for payment of the liability. When all the liabilities shown on the Notice of Federal Tax Lien are satisfied, we will issue a Certificate of Release of Federal Tax Lien for filing in the same recording office where the notice of lien was filed.

## **Requesting a Payoff**

If you have not satisfied your liability, you can get the balance due your tax debt through one of the following:

- Contacting the office assigned your account, if known
- Visiting the “View Your Account” page on IRS.gov (<http://www.irs.gov/payments/view-your-tax-account>)
- Requesting a payoff amount through the Centralized Lien Operation, as shown below

## **Requesting a Copy of the Certificate**

When a Certificate of Release is mailed to the recording office, a copy of the certificate will be mailed to your last known address. If you have not received a copy of the Certificate of Release after 30 days from satisfying your tax liability, you can check the status of the certificate by writing, faxing, or calling the Centralized Lien Operation:

Internal Revenue Service  
Centralized Lien Operation  
P.O. Box 145595, Stop 8420G  
Cincinnati, OH 45250-5595

Telephone Number: 800-913-6050  
Outside the United States: 859-320-3526  
Fax number: 855-753-8177

The copy of the certificate you receive will not show the official recording information. For a copy of the recorded certificate, you must contact the recording office where the Certificate of Release of Federal Tax Lien was filed.

## **Requesting a Certificate of Release**

If the federal tax lien has not been released within 30 days of satisfying your tax liability, you can request a Certificate of Release of Federal Tax Lien. The request must be in writing and should be mailed to the Collection Advisory Group servicing your area. See Publication 4235, *Collection Advisory Group Addresses*, to determine the address to mail your request.

Your request must contain the following information:

- The date of your request
- The name and address of the taxpayer
- A telephone number with the best time for us to call you should we need additional information
- A copy of each Notice of Federal Tax Lien you want released
- An explanation why the lien should be released
- If applicable, a copy of the canceled check or other proof of payment

We may need to research your account. We will provide a certificate of release once we have confirmed your liability is satisfied.

If you have an immediate or urgent need for a Certificate of Release of Federal Tax Lien, you can visit or telephone the local IRS office. A list of local offices, their available services, and their hours of operation may be found on IRS.gov by searching “Local Contacts.” When visiting the IRS office, be prepared to show proof of payment or other documentation that demonstrates your liability has been satisfied.

Should there be an unpaid balance on your liability, you must pay the balance with guaranteed funds for the Certificate of Release to be immediately issued. Guaranteed funds include a certified check, cashier’s check, official bank check, or an acceptable money order (such as a postal or bank money order). For other forms of payment, the certificate of release will be issued within 30 days of the liability being satisfied.

## **Additional Information**

You can find other information about the Federal tax liens on IRS.gov by searching “liens.”

For questions about a specific Notice of Federal Tax Lien, contact the Centralized Lien Operation or Collection Advisory Group as directed above.



# Collection Appeal Rights

You may appeal many IRS collection actions to the IRS Independent Office of Appeals (Appeals). Appeals is separate from and independent of the IRS Collection office that initiated the collection action. Appeals ensures and protects its independence by adhering to a strict policy of prohibiting certain ex parte communications with the IRS Collection office or other IRS offices, such as discussions regarding the strengths or weaknesses of your case. Revenue Procedure 2012-18 has more information about Appeals' independence and ex parte communication and is available at [www.irs.gov](http://www.irs.gov).

The two main procedures are Collection Due Process and Collection Appeals Program. Other procedures are described on page four of this publication and at [www.irs.gov](http://www.irs.gov).

Collection Due Process (CDP) is available if you receive one of the following notices:

- *Notice of Federal Tax Lien Filing and Your Right to a Hearing under IRC 6320*
- *Final Notice - Notice of Intent to Levy and Notice of Your Right to a Hearing*
- *Notice of Jeopardy Levy and Right of Appeal*
- *Notice of Levy on Your State Tax Refund – Notice of Your Right to a Hearing*
- *Post Levy Collection Due Process (CDP) Notice*

Collection Appeals Program (CAP) is available for the following actions:

- *Before or after the IRS files a Notice of Federal Tax Lien*
- *Before or after the IRS levies or seizes your property*
- *Termination, or proposed termination, of an installment agreement*
- *Rejection of an installment agreement*
- *Modification, or proposed modification, of an installment agreement*

CAP generally results in a quicker Appeals decision and is available for a broader range of collection actions. However, you cannot go to court if you disagree with the CAP decision. CAP procedures are described on pages three and four of this publication.

You may represent yourself at CDP, CAP and other Appeals proceedings. Or, you may be represented by an attorney, certified public accountant, or a person enrolled to practice before the IRS. Also, you may be represented by a member of your immediate family, or in the case of a business, by regular full-time employees, general partners or bona fide officers.

A Low Income Taxpayer Clinic (LITC) may represent you if you qualify. LITCs are independent from the IRS and most provide representation before the IRS or in court on audits, tax collection disputes, and other issues for free or for a small fee. Some clinics can provide multilingual information about taxpayer rights and responsibilities. Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area and is available at your local IRS office, by calling 1-800-829-3676, or from [www.irs.gov](http://www.irs.gov).

If you want your representative to contact us or appear without you and to receive and inspect confidential material, you must file a properly completed Form 2848 (no earlier than 10/2011 revision), Power of Attorney and Declaration of Representative. You may also authorize an individual to receive or inspect confidential material but not represent you before the IRS, by filing a Form 8821, Tax Information Authorization. These forms are available at your local IRS office, by calling 1-800-829-3676, or from [www.irs.gov](http://www.irs.gov).

## HEARING AVAILABLE UNDER COLLECTION DUE PROCESS (CDP) For Lien and Levy Notices

By law, you have the right to a CDP hearing when you receive a Notice advising you of this right and you timely postmark a request for a hearing to the address indicated on the Notice. You are limited to one hearing under section 6320 (Notice and opportunity for hearing upon filing of notice of lien) and 6330 (Notice and opportunity for hearing before levy) for each tax assessment within a tax period.

You may contest the CDP determination in the United States Tax Court.

**Lien Notice:** The IRS is required to notify you the first time a Notice of Federal Tax Lien is filed for each tax and period. The IRS must notify you within 5 business days after the lien filing. This notice may be mailed, given to you, or left at your home or office. You then have 30 days, after that 5-day period, to request a hearing with Appeals. The lien notice you receive will indicate the date this 30-day period expires.

**Levy Notice:** For each tax and period, the IRS is required to notify you the first time it collects or intends to collect a tax liability by taking your property or rights to property.

The IRS does this by issuing you a pre-levy or post-levy notice. The notice is mailed, given to you, or left at your home or office. During the 30-day period from the date of the notice, you may request a hearing with Appeals. There are four exceptions to issuing this notice before levy:

1. When collection of the tax is in jeopardy.
2. When the IRS levies your state tax refund.
3. When the criteria for a Disqualified Employment Tax Levy is met.
4. When the IRS serves a federal contractor levy.

You may request a hearing after the levy action in these instances.

If your request for a CDP hearing is not timely, you may request an equivalent hearing. To receive an equivalent hearing, your request must be postmarked on or before the end of the one-year period after the date of the levy notice or on or before the end of the one-year period plus 5 business days after the filing date of the Notice of Federal Tax Lien.

## How do you request a CDP or equivalent hearing with the IRS Independent Office of Appeals?

Complete Form 12153, Request for a Collection Due Process or Equivalent Hearing, or other written request with the same information and send it to the address shown on your lien or levy notice. To request an equivalent hearing, you must check the Equivalent Hearing box on line 7 of Form 12153, or if you don't use Form 12153 write that you want an equivalent hearing if the CDP hearing request is late. If you received both a lien and a levy notice, you may appeal both actions by checking the boxes on line 6 of Form 12153 or if you don't use Form 12153, you may appeal both actions in one written request. You must identify your alternatives to, or your reasons for disagreeing with, the lien filing or the levy action. Alternatives or reasons for disagreeing may include:

- Collection alternatives such as installment agreement or offer in compromise.
- Subordination or discharge of lien.
- Withdrawal of Notice of Federal Tax Lien.
- Appropriate spousal defenses.
- The existence or amount of the tax, but only if you did not receive a notice of deficiency or did not otherwise have an opportunity to dispute the tax liability.
- Collection of the tax liability is causing or will cause an economic or other hardship.

**Note:** You may not raise an issue that was raised and considered at a prior administrative or judicial hearing, if you, or your representative, participated meaningfully in the prior hearing or proceeding. Also, you may not challenge the existence or amount of an assessment made based on court ordered restitution.

Form 12153 is available at your local IRS Office, by calling 1-800-829-3676, or from [www.irs.gov](http://www.irs.gov). Include a copy of your lien and/or levy notice. List all taxes and tax periods included on the notice you received for which you are requesting a hearing. You are entitled to only one hearing relating to a lien notice and one hearing relating to a levy notice, for each taxable period. In general, the IRS will deny a hearing request that only raises issues identified by the IRS as frivolous or that are made solely to delay or impede collection. For a nonexclusive listing of issues identified by the IRS as frivolous, see "The Truth About Frivolous Tax Arguments" on [www.irs.gov](http://www.irs.gov).

To preserve your right to go to court, you must request a CDP hearing within the time period provided by law. Your request for a CDP hearing must be sent to the address on the lien or levy notice and postmarked on or before the date shown in the lien notice or on or before the 30th day after the date of the levy notice.

Before you formally appeal a lien or levy notice by sending us Form 12153, you may be able to work out a solution with the Collection office that sent the notice. To do so, call the telephone number on the lien or levy notice and explain to the IRS employee listed on the notice or other representative why you disagree with the action.

If a telephone number is not shown on the notice, you can call 1-800-829-1040. This contact, however, does NOT extend the 30-day period to make a written request for a CDP hearing.

## What will happen when you request a CDP or equivalent hearing with the IRS Independent Office of Appeals?

After you request a hearing, you may still discuss your concerns with the Collection office that sent the lien or levy notice. If you are able to resolve the issues with that office, you may withdraw your request for a hearing. If you are unable to, or do not choose to, resolve the issues with the Collection office, your case will be forwarded immediately to Appeals.

Appeals will contact you to schedule a conference. Your conference may be held by telephone, correspondence, or, if you qualify, in a face-to-face conference at the Appeals office closest to your home, school or place of business. To qualify for a face-to-face conference, you must not raise any issues that are deemed as frivolous or made with a desire solely to delay or impede collection. If you are proposing a collection alternative, it may be necessary for you to submit financial information or tax returns. Generally, the IRS Independent Office of Appeals will ask the Collection Function to review, verify and provide their opinion on any new information you submit. We will share their comments with you and give you the opportunity to respond. If you request a face-to-face hearing, the Appeals Officer will notify you by letter if you need to take steps to qualify for a face-to-face conference.

Unless one of the exceptions in section 6330(f) applies, for Jeopardy situations, State Income Tax levies, Federal Contractor levies or Disqualified Employment Tax levies, levy action is not permitted for the subject tax and periods during the 30 days after the levy notice and during the timely requested CDP hearing process. Normally, there will be no levy action during the period you have to request a hearing from a lien notice and during the related CDP hearing process.

If your request for a CDP hearing is timely, the 10-year period the IRS has to collect your taxes will be suspended until the date Appeals' determination becomes final or you withdraw your request for a hearing in writing.

At the conclusion of the CDP hearing, Appeals will issue a determination letter unless you have withdrawn your hearing request. If you don't agree with Appeals' determination, you may request judicial review of the determination by petitioning the United States Tax Court within the time period provided for in the Appeals' determination letter. You may not be able to raise issues in the Tax Court if you do not raise them during the Appeals hearing, and the Tax Court may limit the evidence you can present to the evidence you submitted to Appeals during the hearing. You should, therefore, raise all issues and present all evidence during the Appeals hearing, in order to preserve your rights to raise issues and have evidence considered in subsequent court proceedings.

Appeals will retain jurisdiction over its determination. You may return to Appeals if you believe that the Collection function did not carry out Appeals' determination as it was stated or if there is a change in your circumstances that affects Appeals' determination. However, you must first try to work with Collection to resolve the problem.

If your request for a CDP hearing is not timely and you request an equivalent hearing, the law does not prohibit levy and the collection statute is not suspended. Furthermore, you cannot go to court if you disagree with Appeals' decision.



## HEARING AVAILABLE UNDER COLLECTION APPEALS PROGRAM (CAP)

### For Liens, Levies, Seizures and Installment Agreements

The CAP procedure is available under more circumstances than Collection Due Process (CDP). Unlike CDP, you may not challenge in CAP the existence or amount of your tax liability. You also cannot proceed to court if you don't agree with Appeals' decision in your CAP case. Collection actions you may appeal under CAP are:

**Notice of Federal Tax Lien.** You may appeal the proposed filing of a Notice of Federal Tax Lien (NFTL) or the actual filing of an NFTL at the first and each subsequent filing of the NFTL. You may also appeal denied requests to withdraw a NFTL, and denied discharges, subordinations, and non-attachments of a lien.

Third parties may file a CAP appeal regarding the filing of a notice of lien against alter ego or nominee property. There are no CDP rights available for persons determined to be nominees or alter egos. Persons assessed as transferees under Internal Revenue Code (IRC) Section 6901, however, are entitled to CDP rights.

**Notice of Levy.** You may appeal before or after the IRS places a levy on your wages, bank account or other property. Once the levy proceeds have been sent to the IRS, you may also appeal the denial by the IRS of your request to have levied property returned to you. Please note that a request to return levy proceeds must be made within 9 months from the date of such levy if it was made on or before March 22, 2017. If the levy was made on or after March 23, 2017, your request must be made within 2 years from the date of such levy. See IRC Section 6343(d). You may also have additional CDP appeal rights. See the preceding information regarding Hearing Available under Collection Due Process.

**Seizure of Property.** You may appeal before or after the IRS makes a seizure but before the property is sold.

**Rejection, Modification or Termination of Installment Agreement.** You may appeal when the IRS rejects your request for an installment agreement. You may also appeal when the IRS proposes to terminate or terminates your installment agreement.

In addition, you may also appeal when the IRS proposes to modify or modifies your installment agreement.

**Wrongful Levy.** If you are not liable for tax and the IRS has levied or seized property that you believe belongs to you or in which you have an interest superior to the IRS, you may appeal the denial by the IRS of your request to release the levy or seizure, or return the property or its value. Please note that a request to the IRS to return wrongfully levied property must be in writing, filed within 9 months of the levy or seizure if it was made on or before March 22, 2017, and must satisfy certain requirements. If the levy or seizure was made on or after March 23, 2017, your request must be made within 2 years from the date of the levy or seizure. See Publication 4528, Making an Administrative Wrongful Levy Claim Under Internal Revenue Code (IRC) Section 6343(b).

**How do you appeal a lien or levy action if your only collection contact has been a notice or telephone call?**

1. Call the IRS at the telephone number shown on your notice or identified by the IRS employee in a prior telephone contact. Be prepared to explain which action(s) you disagree with and why you disagree. You must also offer a solution to your tax problem.

2. If you can't reach an agreement with the employee, tell the employee that you want to appeal his or her decision. The employee must honor your request and will refer you to a manager. The manager will either speak with you then or will return your call within 24 hours.
3. Explain to the manager which action(s) you disagree with and why. The manager will make a decision on the case. If you don't agree with the manager's decision, your case will be forwarded to Appeals for review. You do not have to submit the appeal request in writing.

**How do you appeal a lien, levy or seizure action if you have been contacted by a Revenue Officer?**

1. If you disagree with the decision of the Revenue Officer, you must first request a conference with the Collection manager.
2. If you do not resolve your disagreement with the Collection manager, you may submit a written request for Appeals consideration, preferably by completing Form 9423, Collection Appeal Request. This form is available at your local IRS office, by calling 1-800-829-3676, or from [www.irs.gov](http://www.irs.gov). Check the action(s) you disagree with and explain why you disagree. You must also offer a solution to resolve your tax problem.
3. Submit the Form 9423 to that Collection office.
4. If you request an appeal after the IRS makes a seizure, you must appeal to the Collection manager within 10 business days after the Notice of Seizure is given to you or left at your home or business.
5. You should let the Revenue Officer or manager know within 2 business days after your conference with the Collection manager if you want to appeal under CAP or the IRS will resume collection action. Your Form 9423 must be postmarked within 3 business days after the date of your conference with the Collection manager in order to prevent the resumption of collection action.
6. If you request a conference and are not contacted by a manager or his/her designee within two (2) business days of making the request, you can contact Collection again or submit Form 9423. If you submit Form 9423, note the date of your request for a conference in Block 15 and indicate that you were not contacted by a manager. The Form 9423 should be received or postmarked within four (4) business days of your request for a conference as collection action may resume.

**How do you appeal the denial by the IRS of your request to release or return levied or seized property, if you believed the property was wrongfully levied or seized?**

1. If you do not agree with the denial of the request to release or return wrongfully levied/seized property or its value, you must first request a conference with the manager of the Advisory Group denying your request.
2. Call the telephone number on the letter denying your request and explain that you want a conference with the Advisory Group manager.
3. If you do not resolve your disagreement with the Advisory Group manager, you must submit a written request for Appeals consideration, preferably on Form 9423, Collection Appeal Request.

4. This form is available at your local IRS office, by calling 1-800-829-3676, or from [www.irs.gov](http://www.irs.gov). Check the action you disagree with and explain why you disagree.
5. Submit the completed Form 9423 to the Advisory Group office that denied your request to release or return of wrongfully levied/seized property or its value.

#### **How do you appeal the rejection of a proposed installment agreement?**

1. Call the telephone number shown on the letter rejecting your proposed installment agreement and explain that you want to appeal the rejection. Your appeal need not be in writing unless the rejection letter was sent by a Revenue Officer, in which case your request for an appeal must be in writing, preferably using Form 9423, Collection Appeal Request. While a conference is recommended, you need not have a conference with a Collection manager before appealing the rejection of a proposed installment agreement.

2. Your request for an appeal of the rejection of a proposed installment agreement must be made on or before the 30th day after the date of the rejection letter (the mailing of a written request, including a Form 9423, must be postmarked on or before such day).

#### **How do you appeal the termination of an installment agreement?**

1. Call the telephone number shown on the notice that indicates that the IRS intends to terminate your installment agreement. If you are unable to resolve the matter, then explain that you want to appeal the termination. Your appeal need not be in writing unless the notice of intent to terminate your installment agreement was sent by a Revenue Officer, in which case your request for an appeal must be in writing, preferably using Form 9423, Collection Appeal Request. While a conference is recommended, you need not have a conference with a Collection manager before appealing the termination of an installment agreement.

2. You will have 30 days from the date of the notice of intent to terminate in which to request an appeal. Unless you appeal within 30 days after the date of the notice, or cure the default, the installment agreement will terminate. After the termination of your installment agreement, your right to appeal will continue for an additional 30 days. Your written request, if mailed, must be postmarked within the appeal period. Please note that if you appeal prior to the termination of your installment agreement, you may not appeal the decision again once the termination takes effect.

#### **How do you appeal a proposed modification or modification of an installment agreement?**

The IRS may propose to modify the terms of your installment agreement based on your financial information. If the IRS does not hear from you after proposing to modify your installment agreement, it may proceed to modify your installment agreement. If you are informed that your agreement is being modified or has been modified, you may request an Appeals hearing under CAP procedures. If you wish to file an appeal concerning a proposed modification or modification of your installment agreement, please follow the directions under the section entitled, "How do you appeal the termination of an installment agreement?"

What will happen when you appeal your case?

**Lien, Levy and Seizure:** Normally, the IRS will not take any action to collect the tax for the tax periods Appeals is considering, unless the IRS believes the collection of the tax is at risk or you are a business meeting the criteria for a Disqualified Employment Tax Levy.

**Installment Agreements: IMPORTANT** - The IRS can't levy until 30 days after the rejection or termination of your agreement. If you appeal within the 30-day period, the IRS will be prohibited from levying until your appeal is completed unless the IRS believes the collection of the tax is in jeopardy.

Once Appeals makes a decision regarding your case, that decision is binding on both you and the IRS. You cannot obtain judicial review of Appeals' decision following a CAP hearing. However, there may be other opportunities to obtain administrative or judicial review of the issue raised in the CAP hearing. For example, a third party may contest a wrongful levy by filing an action in district court. See Publication 4528, Making an Administrative Wrongful Levy Claim Under Internal Revenue Code (IRC) Section 6343(b).

Note: Providing false information, failure to provide all pertinent information or fraud will void Appeals' decision.

#### **APPEAL OF OTHER COLLECTION ACTIONS**

You may also appeal other collection actions:

- Rejected Offer in Compromise
- Proposed Trust Fund Recovery Penalty
- Denied Trust Fund Recovery Penalty Claim
- Denied request to abate penalties (i.e., late payment, late filing, or deposit penalties)

To dispute a penalty in Appeals, follow the protest requirements in Publication 5, Your Appeal Rights and How To Prepare A Protest If You Don't Agree. Also, the correspondence you receive on these types of cases will explain where you should send your protest.

#### **Help if you are experiencing economic harm...**

The Taxpayer Advocate Service (TAS) helps taxpayers whose problems with the IRS are causing financial difficulties; who have tried but haven't been able to resolve their problems with the IRS; and those who believe an IRS system or procedure is not working as it should. If you believe you are eligible for TAS assistance, you can reach TAS by calling the TAS toll-free number at 1-877-777-4778 or TTY/TDD 1-800-829-4059. For more information, go to [www.irs.gov/advocate](http://www.irs.gov/advocate).

TAS cannot extend the time you have to request a CDP, equivalent or CAP hearing. The timeframes for requesting these hearings are explained in this publication.