

### Collection Process

- IRS assess a liability
- Notice and demand for payment is sent
- If not paid in 10 days lien can be filed



### Notice of Federal Tax Lien IRM 15.17.2

- Secures the government's interest in the taxpayers assets.
- Filed with:

Secretary of State and/or

Country in which assets are located



### Liens

- Super priorities IRM 5.17.2.5.1
- Balance due on lien is most likely not the amount owed by the taxpayer.
- · Balance of assessment.
- Redacted SSNs XXX-XX-1234



### Liens

- IRS releases liens within 30 days of payment
- Liens generally release automatically 10 years after assessment



### Liens

• If Taxpayer did not get copy of the release, or has questions, they can call the Cinncinnati Campus at:

1(800) 913-6050



### Centralized Liens

- Cincinnati campus
- 18 page handbook "Guidelines for Notices of Federal tax Liens and Centralized Lien Processing."
- · 2007 Updates and Reminders



## Lien Processing

- Toll-free number 1-800-913-4170
- Lien documents should not be returned to IRS unrecorded
- Ensure lien documents are recorded with or without original signatures
- Return copy designated IRS with appropriate recording data



### Lien Processing

- Submit monthly billing documents to the Lien Processing Unit
- · Payment by EFT is strongly encouraged
- Contact Cincinnati IRS Campus Processing Unit relating to problems
- Notify Cincinnati 30 days before fee changes become effective



### Lien Processing

- Appendix A Recording Office Notification to the IRS
- Appendix B Substitute Recorder Invoice
- Additional Resources



# Lien Pay-offs

- Fax or mail 4506T and 8821 to Cincinnati Campus
- Fax: 1-859-669-3805
- Mail: Internal Revenue Service
   Lien Processing Unit
   P. O. Box 45595
   Stop 8420G
   Cincinnati, OH 45250-5595



### Liens can be:

- Filed
- Released
- Discharged
- Subordinated



# Complex Lien Issues

- Publication 4235
- · MN, ND, SD worked in St. Paul
- St. Paul Contact Number (651)312-7978



# Certificate of Discharge

- Publication 783
- · No standard form
- Removes the effect of the lien against a particular piece of property



# Certificate of Subordination

- Publication 784
- · No standard form
- Lender requires priority over NFTL as a condition of the loan



### Foreclosure

- Special web section on www.irs.gov
- Explains taxability of forgiven indebtedness
- · Worksheets and examples





### Foreclosure Sale

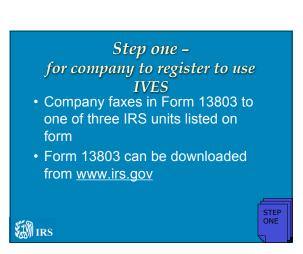
- · Notify the IRS if NFTL filed
- Owner has 180 days to redeem
- IRS has right of redemption
- · Does not release the lien

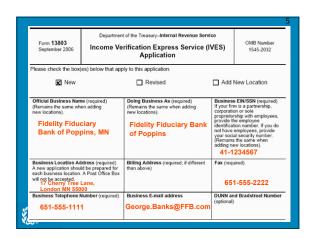


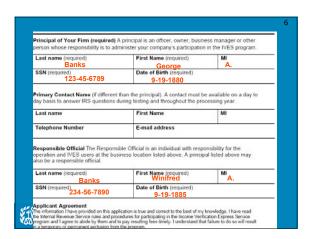




# Lenders can fax in 4506-T to the IRS, and get tax return transcripts sent to a secure mailbox within 2 business days Speed up loan verification! Company is billed once a month at \$4.50 per transcript request and pays via credit card or electronic funds transfer Company can review & print reports on transcript requests







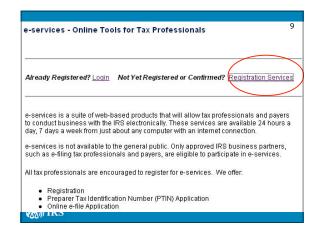


- Principal and all users register individually for e-services at www.irs.gov
- In this process, each user selects a username, password, and PIN. They also need their Adjusted Gross Income from recent Form 1040 return; e-mail address recommended
- IRS creates a "Secure Object Repository" for each registrant
- IRS mails a notice to each registrant with a confirmation number

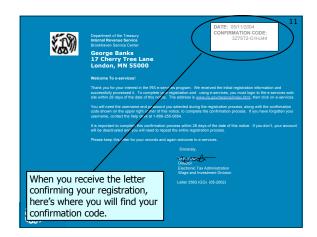








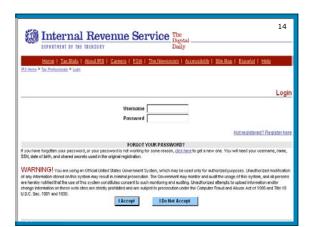




# After confirmation received in mail

- With confirmation letter, registrant logs in to e-services to complete registration
- Principal can now add or delete responsible officials, and add or delete delegated users
- Responsible Officials can add or findelete delegated users.

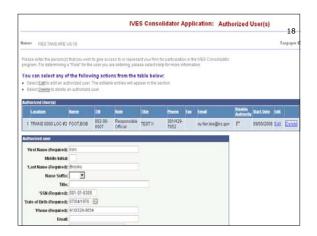


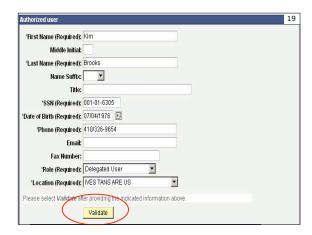




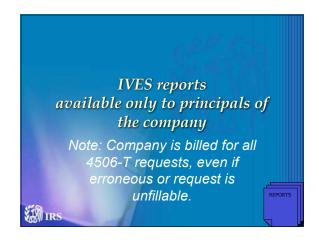


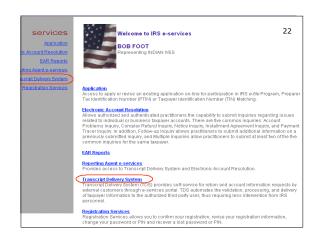








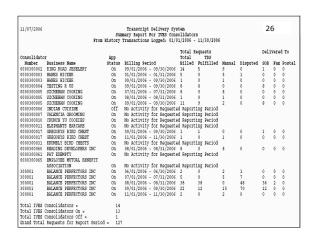


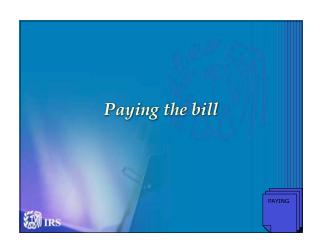




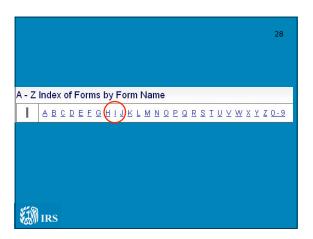




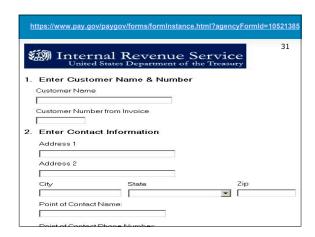


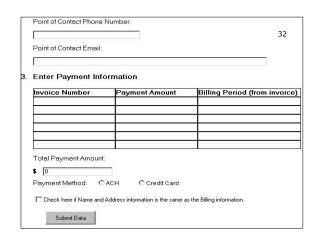






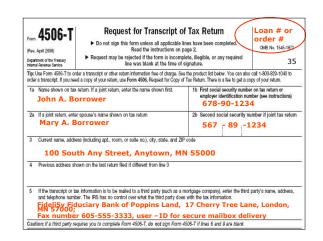


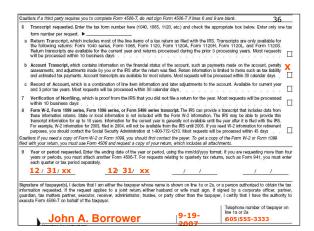




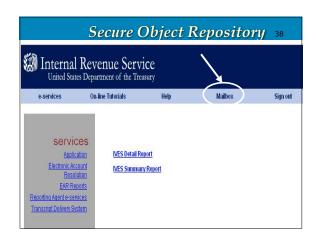


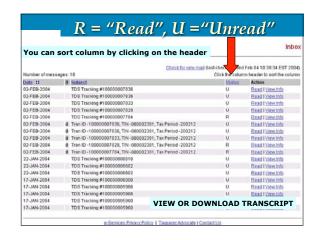
# To get a transcript User secures Form 4506-T from borrower and faxes it to IRS Fax cover sheet required for each set of 50 Forms 4506-T If user has given us a regular e-mail address when registering, we will notify by e-mail when there is something in the SOR (allow 2 business days) Transcripts remain in SOR for 3 business days











Internal Revenue Service			PROOF TO MIN TAX CREDIT: FRANC PER COMPUTER:	\$ 0.00	
DEPORTMENT OF THE TRUSTORY					40
			TOTAL CREDITS:	\$ 1,200.00	40
This Product Contains Sensitive Taxpayer Data			TOTAL CREDITS PER COMPUTER: TROOMS TAX APTER CREDITS PER COMPUTER:	\$ 1,200.00 \$ 4,166.00	
	n Transcript	Request Date: 06-17-2004		* *,2**	
Tax Return		Response Date: 06-17-2004	Other Taxes		
		IRS Exploses Number: SEID	SE TAI:	\$ 0.00	
		Tracking Funber: 000000000000000	SE TAI FER CONFITER:	\$ 0.00	
partin a 6 rati d rivel			SOCIAL SECRETY AND MEDICAGE THE ON UNREPORTED TEPS:	\$ 0.00	
DRHEII, NY 40501-1000-123			SOCIAL SECRETTY AND MEDICAGE THE ON UNREPORTED TIPS PER COMPUTER:	\$ 0.00	
			TAI ON COLLIFIED PLANS - F5329 (FR):	\$ 0.00	
			COMBUSED TH ON RETUREMENT PLANS FOR COMPUTER:	\$ 0.00	
SSS fromidate: 010-06-999 The Period Endings (Sec. 3), 2001 The Inclinning items relief the amount as shown on the return (FE), and the amount as adjusted (FC), it applicable. They do not show subsequent activity on the			IRAF TAI PER COMPUTER:	\$ 0.00	
			TP TAI FIGURES (REDUCED BY IRAF) PER COMPUTER:	8 4,166.00	
			INF TOTAL TAIL (REDUCED BY INAF) PER COMPUTER:	\$ 4,166.00	
			ADVANCED EARNED INCOME:	8 0.00	
			IMPAID FICA ON REPORTED TIPS:	\$ 0.00	
			FORM 4570 ACCIDITIATED DISTRIBUTION OF TRUSTS:	8 0.00	
SSI: 111-01-1111 SPOISE SSI: 111-01-1111			RECAPTURE TAX: FIGURE	\$ 0.00	
NAME(S) SHOWN ON RETURN MARTIN A & PAN B PLIN			HOUSEHOLD EMPLOYMENT TAXES:	\$ 0.00	
V008535	112 ELM ST		HOUSENCED EMPLOYMENT TAXES PER COMPUTER:	1 1.00	
MUNG33.	CORNELL, NY 40501-1000-	123	PECAPTURE TAXES:	\$ 0.00	
			TOTAL ASSESSMENT PER COMPUTER:	3 4 166 .00	
ILING STATUS:	Macried Filing Joint		TOTAL TAI LIABILITY TP FIGHES:	\$ 4.166.00	
CRM WINSER:	1040		TOTAL TAX LIABILITY TP FIGHES FER CONFUTER:	8 4 166 .00	
TICLE POSTED:	200209				
RECEIVED DATE:	åpr. 15, 2002		Refund or Amount Owed		
ENITTANCE:	0.00		PEFTED ANDERT:	8 -843.00	
MEMPTION NUMBER:	4		APPLIED TO MEIT YEAR'S ESTIMATED TAX:	\$ 0.00	
REPRODEST ON ANOTHER TP:			ESTINATED TAX PENALTY:	\$ 0.00	
EPEKDENT 1 NAME CTRL:	PLIK		TAIL ON INCOME LESS STATE REFUND PER COMPUTER:	\$ 0.00	
. SSI:	000-00-2222		BAL DIE-CHER PINT USING TP FIG FER CONFUTER:	\$ -843.00	
EPENDENT 2 NAME CTRL:	PLIN		BAL DIE-CHER PERT PER COMPUTER FIGURES:	8 -843.00	
SSII:	000-00-3333		This Product Contains Specifying Tampage Data		



