

Getting Rid of Tax Liens

Eric L. Green, Esq.

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Eric Green, Esq.

- ▶ Managing partner in Green & Sklarz LLC, a boutique tax firm with offices in Connecticut and New York.
- ▶ Focus is civil and criminal taxpayer representation before the Department of Justice Tax Division, Internal Revenue Service and state Departments of Revenue Services.
- ▶ Has served as a columnist for CCH's Journal of Practice & Procedure.
- ▶ Attorney Green is the past Chair of the Executive Committee of the Connecticut Bar Association's Tax Section.
- ▶ Eric is a Fellow of the American College of Tax Counsel ("ACTC").



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Eric Green, Esq.



- ▶ Eric is the host of the weekly Tax Rep Network Podcast, available in iTunes, Apple Podcasts and Google Podcasts
- ▶ Eric is the founder of Tax Rep Network, an online community designed to help tax professionals build their IRS Representation Practice
- ▶ He is the author of the Accountant's Guide to IRS Collection, the Accountant's Guide to Resolving Tax Issues, and the Accountant's Guide to Resolving Payroll Taxes and Personal Liability



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The Lien Guide

- ▶ Its FREE – download it here!
- ▶ <https://taxrepllc.com/free-ebook-irs-liens/>

IRS Department of the Treasury
Internal Revenue Service
COP-10 ACS CORRESPONDENCE
P.O. BOX 145566, STOP 8130 CSC
CINCINNATI, OH 45256-5566

CERTIFIED MAIL

Letter Date: 08/23/2014
Taxpayer Identification Number: XXX-XX-XXXX
Person to Contact: P.A. BELTON

Form 14135
(June 2010)

Application for Certificate of Discharge of Property from Federal Tax Lien

OMB No. 1545-2174

Complete the entire application. Enter NA (not applicable), when appropriate. Attachments and exhibits should be included as necessary. Additional information may be requested of you or a third party to clarify the details of the transaction(s).

1. Taxpayer Information (individual or business named on the notice of lien):

Name (individual: First, Middle Initial, Last; or (business) as it appears on lien)

Name Continuation (individual: First, Middle Initial, Last; or (business) d/b/a)

Address (Number, Street, P.O. Box)

City

State

ZIP Code

Telephone Number (with area code)

Fax Number (with area code)

Primary Social Security Number (last 4 digits only)

Secondary Social Security Number (last 4 digits only)

Employer Identification Number

Form 12277
(October 2011)

Application for Withdrawal of Filed Form 668(Y), Notice of Federal Tax Lien
(Internal Revenue Code Section 6323(j))

1. Taxpayer Name (as shown on the Notice of Federal Tax Lien)

2. Social Security/Employer Identification No.

3. Taxpayer's Representative (if applicable), or Name and Title of contact person, if taxpayer is a business

4. State

5. ZIP code

6. Phone Number

7. Date Form 668(Y) filed

8. Date Form 668(Y) filed



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IRS Collection Process

- ▶ Assessment of the tax
- ▶ 10-Year Collection Statute
- ▶ Billing Notices
- ▶ Threat to levy and right to a hearing
- ▶ Appeals: CDP, Equivalent and CAP



Liens—Authority

- ▶ The federal tax lien, under IRC §6321, arises when any “person” liable to pay any federal tax fails to pay the tax after a demand by the government for payment
- ▶ The “Silent Lien”

Liens—Authority

IRC §6321 authorizes the IRS to file a Notice of Federal Tax Lien (NFTL) in favor the United States to protect the Government's interest in the taxpayer's property against third parties



Notice of Federal Tax Lien



- Effective from date of assessment
- No requirement to file NFTL
- Filing of NFTL “perfects” the tax lien and provides priority over subsequent liens

Notice of Federal Tax Lien

- ▶ Prior to 2012 would file NFTL if the taxpayer owed >\$5,000
- ▶ Increased the threshold to \$10,000

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Notice of Federal Tax Lien

- ▶ IRC §6320 requires notice and a hearing
- ▶ Land records
- ▶ Secretary of the State

IRS Department of the Treasury
Internal Revenue Service
CCP-LU ACS CORRESPONDENCE
P.O. BOX 145566, STOP 813G CSC
CINCINNATI, OH 45250-5566

CERTIFIED MAIL
9307110756602784308405

Letter Date: 08/23/2016
Taxpayer Identification Number: XXX-XX-XXXX
Person to Contact: P.A. BELTON
Contact Telephone Number: (800) 829-3903
Employee Identification Number:

TAXPAYER NAME
PO BOX
HARTFORD, CT XXXX

000342

Notice of Federal Tax Lien Filing and Your Right to a Hearing Under IRC 6320

Dear TAXPAYER NAME:

We filed a Notice of Federal Tax Lien on [REDACTED].

Type of Tax	Tax Period	Assessment Date	Amount on Lien
CIVP	12/31/2011	12/29/2014	38428.87

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Federal Tax Lien

- ▶ Under IRC §6322, the federal tax lien continues until satisfied or expires
- ▶ 10 years to collect—
IRC §6502

EXPIRED

Dealing with Tax Liens



- ▶ Discharge
- ▶ Subordination
- ▶ Withdrawal

Lien Subordination

- ▶ A “subordination” is where the IRS will allow another creditor to take a higher priority position over the IRS lien
- ▶ Partially pay the IRS debt
- ▶ Improve collection
- ▶ Make your pitch!

Lien Discharge

- ▶ Lien is meant to protect the government’s interest
- ▶ Not meant to prevent the sale of assets
- ▶ Clients can still sell but IRS gets its equity



Lien Discharge

- ▶ Full paid
- ▶ All the equity
- ▶ No equity
- ▶ Form 14135

Form 14135 (June 2010)	Department of the Treasury — Internal Revenue Service Application for Certificate of Discharge of Property from Federal Tax Lien	OMB No. 1545-2174
Complete the entire application. Enter NA (not applicable), when appropriate. Attachments and exhibits should be included as necessary. Additional information may be requested of you or a third party to clarify the details of the transaction(s).		
1. Taxpayer Information (Individual or Business named on the notice of lien):		
Name (Individual: First, Middle Initial, Last) or (Business) as it appears on lien	Primary Social Security Number (last 4 digits only)	
Name Continuation (Individual: First, Middle Initial, Last) or (Business db/a)	Secondary Social Security Number (last 4 digits only)	
Address (Number, Street, P.O. Box)	Employer Identification Number	
City	State	ZIP Code
Telephone Number (with area code)	Fax Number (with area code)	
2. Applicant Information: ☐ Check if also the Taxpayer (if not the taxpayer, attach copy of lien. See Sec. 10)		
Name (First, Middle Initial, Last)	Relationship to taxpayer	
Address (Number, Street, P.O. Box)		
City	State	ZIP Code
Telephone Number (with area code)	Fax Number (with area code)	
3. Purchase/Transferee/New Owner ☐ Check if also the Applicant		
<small>1 Relationship to Taxpayer</small>		



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Lien Discharge

Page 2 of 3

6. Monetary Information

Proposed sales price	
Expected proceeds to be paid to the United States in exchange for the certificate of discharge (Enter NA if no proceeds are anticipated)	

7. Basis for Discharge: Check the box below that best addresses what you would like the United States to consider in your application for discharge. (Publication 783 has additional descriptions of the Internal Revenue Code sections listed below.)

- ☐ 6325(b)(1) Value of property remaining attached by the lien(s) is at least double the liability of the federal tax lien(s) plus other encumbrances senior to the lien(s)
- ☐ 6325(b)(2)(A) The United States receives an amount not less than the value of the United States' interest.
(Note: If you are applying under 6325(b)(2)(A) and are the property owner but not the taxpayer, see also section 16.)
- ☐ 6325(b)(2)(B) Interest of the United States in the property to be discharged has no value.
- ☐ 6325(b)(3) Proceeds from property sale held in escrow subject to the liens and claims of the United States.
- ☐ 6325(b)(4) Deposit made or bond furnished in an amount equal to the value of the United States' interest.
(Note: This selection provides a remedy under 7426(a)(4) for return of deposit but is exclusively for a property owner not named as the taxpayer on the lien)

8. Description of property (for example, 3 bedroom rental house; 2002 Cessna twin engine airplane, serial number AT919000000000X00, etc.):



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Withdrawal – IRM 5.12.9.3.2.1(3-10)

- ▶ Direct Debit Installment Agreement for \$25,000 or less may request withdrawal (includes penalty and interest at the time of the request for withdrawal)
- ▶ IA will be completed within 60 months
- ▶ Must have made three consecutive direct debit payments
- ▶ Use Form 12277

Multiple NFTLs

- ▶ New tax debts require new liens be filed by the IRS with a new lapse date
- ▶ It is not uncommon for taxpayers with a history of tax problems to have multiple IRS liens filed

Self-Releasing

- ▶ Self-releasing unless re-filed
- ▶ May be re-filed if actions extended the statute
- ▶ Use Form 12277

Form **12277**
(October 2011)

Department of the Treasury — Internal Revenue Service
Application for Withdrawal of Filed Form 668(Y), Notice of Federal Tax Lien
(Internal Revenue Code Section 6323(j))

1. Taxpayer Name (as shown on the Notice of Federal Tax Lien)		2. Social Security/Employer Identification No.	
3. Taxpayer's Representative, if applicable, or Name and Title of contact person, if taxpayer is a business			
4. Address (Number, Street, P.O. Box)			
5. City	6. State	7. ZIP code	8. Phone Number
9. Attach copy of the Form 668(Y), Notice of Federal Tax Lien, if available. OR , if you don't have a copy, provide the following information, if available: Serial number of Form 668(Y) (found near the top of the document) Date Form 668(Y) filed			
Recording office where Form 668(Y) was filed			
10. Current status of the federal tax lien ("x" appropriate box) ☐ Open ☐ Released ☐ Unknown			
11. Reason for requesting withdrawal of the filed Notice of Federal Tax Lien ("x" appropriate box(es)) ☐ The Notice of Federal Tax Lien was filed prematurely or not in accordance with IRS procedures. ☐ The taxpayer entered into an installment agreement to satisfy the liability for which the lien was imposed and the agreement did not provide for a Notice of Federal Tax Lien to be filed. ☐ The taxpayer is under a Direct Debit Installment Agreement. ☐ Withdrawal will facilitate collection of the tax. ☐ The taxpayer, or the Taxpayer Advocate acting on behalf of the taxpayer, believes withdrawal is in the best interest of the taxpayer and the government.			
12. Explain the basis for the withdrawal request (attach additional sheets and other documentation that substantiates your request, as needed)			

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NFTL – Self Releasing

Area: SMALL BUSINESS/SELF EMPLOYED #1 | IRS Serial Number: [REDACTED]
Lien Unit Phone: (800) 829-3903

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer :
[REDACTED]

Residence :
PO BOX [REDACTED]
HARTFORD, CT [REDACTED]

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
CIVP	12/31/2011	XXX-XX-[REDACTED]	12/29/2014	01/28/2025	38428.87

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The Lien Guide

- ▶ Its FREE – download it here!
- ▶ <https://taxrepllc.com/free-ebook-irs-liens/>

The image displays three IRS forms related to federal tax liens. On the left is Form 14135 (June 2010), 'Application for Certificate of Discharge of Property from Federal Tax Lien'. In the center is Form 12277 (October 2011), 'Application for Withdrawal of Filed Form 668(Y), Notice of Federal Tax Lien'. On the right is Form 668(Y), 'Notice of Federal Tax Lien'. The forms are shown as if they are part of a mailing, with a 'CERTIFIED MAIL' label and a 'Notice of Federal Tax Lien Filing and Due Date' stamp from the IRS.

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Tax Liens & Tax Levies Workshop

- ▶ Special 4 hour workshop on 9/28
- ▶ 4 ce/cpe credits
- ▶ Everything you want to know about tax liens and tax levies
- ▶ **Early bird \$199** (until 9/26, then \$249)
- ▶ **USE CPAA21 and save \$25!**
- ▶ Limited to 100 attendees!



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Tax Liens & Tax Levies Workshop

Topic Outline:

- Tax Lien Mechanics
- Discharging Assets from a Tax Lien
- Getting the IRS to Subordinate its Tax Lien
- Requesting and Getting Liens Withdrawn
- Tax Levy Mechanics
- How to Help Client's Avoid Tax Levies
- Having Levies Released
- Disqualified Employment Tax Levies
- Case Studies with Completed Forms
- Checklists for Tax Liens and Tax Levies
- Marketing: How to Find Clients

List of Handouts

1. Notice of Federal Tax Lien
2. Notice of Federal Tax Levy
3. Form 12277 – Withdrawal of Federal Tax Lien
4. Form 14135 – Discharge from IRS Tax Lien
5. Form 14134 – Subordination of Federal Tax Lien
6. Form 5597 – Foreclosure of Federal Tax Lien
7. United States vs Craft Decision
8. Drye vs United States Decision
9. Sample Levy Release
10. Sample Filing of Lis Pendens and Department of Justice Suit

<https://taxrep LLC.com/tax-liens-tax-levies-workshop-20210928/>

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Notice of Federal Tax Lien

Area:	Serial Number	For Optional Use by Recording Office
Lien Unit Phone:		

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer

Residence

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
Place of Filing					
Total					\$

This notice was prepared and signed at _____, on this,

the _____ day of _____, _____.

Signature	Title
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Area:

Serial Number

For Optional Use by Recording Office

Lien Unit Phone:

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer

Residence

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
Place of Filing					
Total					\$

This notice was prepared and signed at _____, on this,

the day of , .

Signature

Title

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 2 - Internal Revenue Service TDA Copy

Form **668(Y)(c)** (Rev. 2-2004)
CAT. NO 60025X

Notice of Federal Tax Lien

Area:	Serial Number	For Optional Use by Recording Office
Lien Unit Phone:		* This Notice of Federal Tax Lien has been filed as a matter

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer

Residence

For Optional Use by Recording Office

- * This Notice of Federal Tax Lien has been filed as a matter of public record
- * IRS will continue to charge penalty and interest until you satisfy the amount you owe.
- * Contact the Area Office Collection Function for information on the amount you must pay before we can release this lien.
- * See the back of this page for an explanation of your Administrative Appeal rights.

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
Place of Filing					
Total					\$

This notice was prepared and signed at _____, on this,

the _____ day of _____, _____.

Signature	Title
-----------	-------

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Form **668(Y)(c)** (Rev. 2-2004)
CAT. NO 60025X

Lien

This Notice of Federal Tax Lien gives public notice that the government has a lien on all your property (such as your house or car), all your rights to property (such as money owed to you) and to property you acquire after this lien is filed.

Your Administrative Appeal Rights

If you believe the IRS filed this Notice of Federal Tax Lien in error, you may appeal if any of the following conditions apply:

- You had paid all tax, penalty and interest before the lien was filed;
- IRS assessed tax after the date you filed a petition for bankruptcy;
- IRS mailed your notice of deficiency to the wrong address;

You have already filed a timely petition with the Tax Court;

The statute of limitations for collection ended before IRS filed the notice of lien.

Your appeal request must be in writing and contain the following:

- Your name, current address and SSN/EIN;
- Copy of this notice of lien, if available;
- The specific reason(s) why you think the IRS is in error;
- Proof that you paid the amount due (such as cancelled check);
- Proof that you filed a bankruptcy petition before this lien was filed.

Send your written request to the IRS, Attention: Technical Services Group Manager, in the office where this notice of lien was filed.

When This Lien Can Be Released

The IRS will issue a Certificate of Release of Federal Tax Lien within 30 days after:

- You pay the tax due, including penalties, interest, and any other additions under law, or IRS adjusts the amount due, or;
- The end of the time period during which we can collect the tax (usually 10 years).

Publication 1450, Request for Release of Federal Tax Lien, available at IRS offices, describes this process.

When a Lien against Property can be Removed

The IRS may remove the lien from a specific piece of property if any of the following conditions apply:

- You have other property subject to this lien that is worth at least two times the total of the tax you owe, including penalties and interest, plus the amount of any other debts you owe on the property (such as a mortgage);
- You give up ownership in the property and IRS receives the value of the government's interest in the property;
- IRS decides the government's interest in the property has no value when you give up ownership;
- The property in question is being sold; there is a dispute about who is entitled to the sale proceeds; and the proceeds are placed in escrow while the dispute is being resolved.

Publication 783, Instructions on How to Apply for a Certificate of Discharge of Property from a Federal Tax Lien, available at IRS offices, describes this process.

Gravamen

Este Aviso de Gravamen del Impuesto Federal da aviso público que el gobierno tiene un gravamen en todas sus propiedades (tal como su casa o carro), todos sus derechos a propiedad (tales como el dinero que le adeudan a usted) y la propiedad que adquiera después que se presentó este gravamen.

Sus Derechos de Apelación Administrativos

Si usted cree que el IRS presentó este Aviso de Gravamen del Impuesto Federal por error, usted puede apelar si cualquiera de las siguientes condiciones le aplican:

- Usted pagó todo el impuesto, multa, interés antes de que el gravamen fuera presentado;
- El IRS tasó el impuesto después del la fecha en que usted presentó una petición de quiebra;
- El IRS le envió por correo el aviso de deficiencia a una dirección incorrecta;
- Usted presentó a tiempo una petición ante la Corte de Impuesto;
- El IRS no presentó el aviso de gravamen dentro del término prescriptivo.

Su petición de apelación tiene que estar por escrito y debe incluir lo siguiente:

- Su nombre, dirección actual y SSN/EIN;
- Una copia de este aviso de gravamen, si está disponible;
- La razón (o razones) específica(s) por qué piensa que el IRS está erróneo;
- Prueba que pagó la cantidad adeudada (tal como un cheque cancelado);
- Prueba que presentó una petición de quiebra antes de que se presentara el gravamen.

Envíe su petición por escrito al IRS, Atención: "Technical Services Group Manager" (Grupo de Gerente-Servicios Técnicos) en la oficina donde este aviso de gravamen fue presentado.

Cuándo Este Gravamen Se Puede Cancelar

El IRS emitirá un Certificado de Cancelación de Gravamen del Impuesto Federal dentro de 30 días después que:

- Usted paga el impuesto adeudado, incluyendo multas, intereses, y otras sumas adicionales según la ley, o el IRS ajusta la cantidad adeudada, o;
- Aceptemos una fianza garantizando el pago de su deuda;
- La expiración del término en que podemos cobrar el impuesto (usualmente 10 años).

La Publicación 1450, en inglés, "Petición Para Cancelar el Gravamen del Impuesto Federal", describe este proceso y está disponible en las oficinas del IRS.

Cuándo un Gravamen en Contra de la Propiedad Puede Eliminarse

El IRS puede eliminar el gravamen de una propiedad específica si cualquiera de las siguientes condiciones aplica:

- Usted tiene otra propiedad sujeta a este gravamen cuyo valor es por lo menos dos veces el total del impuesto que usted adeuda, incluyendo intereses y multas, más la cantidad de cualquiera de las otras deudas que adeuda sobre la propiedad (tal como una hipoteca);
- Usted cede su interés en la propiedad y el IRS recibe el valor del interés del gobierno en la propiedad;
- El IRS decide que el interés del gobierno en la propiedad no tiene valor alguno cuando usted cedió su interés en la propiedad;
- La propiedad gravada será vendida; existe una controversia sobre quién tiene derecho al producto de la venta; y se depositan los fondos recibidos en la venta en una cuenta especial en lo que se resuelve la controversia.

La Publicación 783 en inglés, "Instrucciones de Cómo Solicitar un Certificado de Relevó de la Propiedad de un Gravamen del Impuesto Federal", describe éste proceso y está disponible en las oficinas del IRS.

**Application for Certificate of Discharge of
Property from Federal Tax Lien**

Complete the entire application. Enter NA (*not applicable*), when appropriate. Attachments and exhibits should be included as necessary. Additional information may be requested of you or a third party to clarify the details of the transaction(s).

1. Taxpayer Information (*Individual or Business named on the notice of lien*):

Name (<i>Individual</i> First, Middle Initial, Last) or (<i>Business</i>) as it appears on lien		Primary Social Security Number (last 4 digits only)
Name Continuation (<i>Individual</i> First, Middle Initial, Last) or (<i>Business</i> d/b/a)		Secondary Social Security Number (last 4 digits only)
Address (Number, Street, P.O. Box)		Employer Identification Number
City	State	ZIP Code
Telephone Number (with area code)	Fax Number (with area code)	

2. Applicant Information: ☐ Check if also the Taxpayer (*If not the taxpayer, attach copy of lien. See Sec.10*)

Name (First, Middle Initial, Last)		Relationship to taxpayer
Address (Number, Street, P.O. Box)		
City	State	ZIP Code
Telephone Number (with area code)	Fax Number (with area code)	

3. Purchase/Transferee/New Owner ☐ Check if also the Applicant

	Relationship to taxpayer
--	--------------------------

4. Attorney/Representative Information**Attached:** Form 8821 or
Power of Attorney Form 2848 ☐ Yes ☐ No

Name (First, Middle Initial, Last)		Interest Represented (e.g. taxpayer, lender, etc.)
Address (Number, Street, P.O. Box)		
City	State	ZIP Code
Telephone Number (with area code)	Fax Number (with area code)	

5. Lender/Finance Company Information - or (Settlement/Escrow Company for applications under Section 6325(b)(3) only)

Company Name	Contact Name	Contact Phone Number
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6. Monetary Information

Proposed sales price	
Expected proceeds to be paid to the United States in exchange for the certificate of discharge <i>(Enter NA if no proceeds are anticipated)</i>	

7. Basis for Discharge: Check the box below that best addresses what you would like the United States to consider in your application for discharge. *(Publication 783 has additional descriptions of the Internal Revenue Code sections listed below.)*

- ☐ 6325(b)(1) Value of property remaining attached by the lien(s) is at least double the liability of the federal tax lien(s) plus other encumbrances senior to the lien(s)
- ☐ 6325(b)(2)(A) The United States receives an amount not less than the value of the United States' interest.
(Note: If you are applying under 6325(b)(2)(A) and are the property owner but not the taxpayer, see also section 16.)
- ☐ 6325(b)(2)(B) Interest of the United States in the property to be discharged has no value.
- ☐ 6325(b)(3) Proceeds from property sale held in escrow subject to the liens and claims of the United States.
- ☐ 6325(b)(4) Deposit made or bond furnished in an amount equal to the value of the United States' interest.
(Note: This selection provides a remedy under 7426(a)(4) for return of deposit but is exclusively for a property owner not named as the taxpayer on the lien)

8. Description of property *(for example, 3 bedroom rental house; 2002 Cessna twin engine airplane, serial number AT919000000000X00; etc.):*

Address of real property <i>(If this is personal property, list the address where the property is located):</i>		
Address <i>(Number, Street, P.O. Box)</i>		
City	State	ZIP Code
FOR REAL ESTATE: a legible copy of the deed or title showing the legal description is required ☐ Attached ☐ NA		
FOR Discharge Requests under Section 6325(b)(1): copy of deed(s) or title(s) for property remaining subject to the Federal Tax Lien is required ☐ Attached ☐ NA		

9. Appraisal and Valuations

REQUIRED APPRAISAL Professional appraisal completed by a disinterested third party	☐ Attached
PLUS ONE OF THE FOLLOWING ADDITIONAL VALUATIONS: County valuation of property <i>(real property)</i> Informal valuation of property by disinterested third party Proposed selling price <i>(for property being sold at auction)</i> Other: _____	☐ Attached ☐ Attached ☐ Attached ☐ Attached
AND for applications under Section 6325(b)(1), valuation information (of the type described above in this section) must also be provided for property remaining subject to the lien.	

10. Copy of Federal Tax Lien(s) *(Complete if applicant and taxpayer differ)*☐ Attached ☐ No**OR** list the lien number(s) found near the top right corner on the lien document(s) *(if known)*

11. Copy of the sales contract/purchase agreement *(if available)*☐ Attached ☐ No**OR**

Describe how and when the taxpayer will be divested of his/her interest in the property:

12. Copy of a current title report☐ Attached ☐ No**OR**List encumbrances senior to the Federal Tax Lien. Include name and address of holder; description of encumbrance, e.g., mortgage, state lien, etc.; date of agreement; original loan amount and interest rate; amount due at time of application; and family relationship, if applicable (**Attach additional sheets as needed**):**13. Copy of proposed closing statement (aka HUD-1)**☐ Attached ☐ No**OR**Itemize all proposed costs, commissions, and expenses of any transfer or sale associated with property (**Attach additional sheets as needed**):**14. Additional information** that may have a bearing on this request, such as pending litigation, explanations of unusual situations, etc., is attached for consideration☐ Attached ☐ No**15. Escrow Agreement** *(For applications under IRC 6325(b)(3))*☐ Attached ☐ No

Escrow agreement must specify type of account, name and depository for account, conditions under which payment will be made, cost of escrow, name and address of any party identified as part of escrow agreement, and signatures of all parties involved including Advisory Group Manager. Terms for agreement must be reached before discharge approved.

16. WAIVER *(For applications made by third parties under IRC 6325(b)(2))*

If you are applying as an owner of the property and you are not the taxpayer, to have this application considered under section 6325(b)(2), you must waive the rights that would be available if the application were made under section 6325(b)(4). If you choose not to waive these rights, the application will be treated as one made under 6325(b)(4) and any payment will be treated like a deposit under that section. Please check the appropriate box.

I understand that an application and payment made under section 6325(b)(2) does not provide the judicial remedy available under section 7426(a)(4). In making such an application / payment, I waive the option to have the payment treated as a deposit under section 6325(b)(4) and the right to request a return of funds and to bring an action under section 7426(a)(4).☐ Waive ☐ No**17. Declaration**

Under penalties of perjury, I declare that I have examined this application, including any accompanying schedules, exhibits, affidavits, and statements and to the best of my knowledge and belief it is true, correct and complete.

Signature/Title_____
Date_____
Signature/Title_____
Date