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THE TAX LAWYER

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### Can IRS Prevent You From Traveling?

The IRS and Justice Department cooperate to catch tax scofflaws, including having notorious ones arrested if they land on U.S. soil. See Government Accountability Office Report: [Potential For Using Passport Issuance to Increase Collection of Unpaid Taxes](#). But this is only in **awfully serious** tax matters. These days discussion is focused on more mundane tax debts and the **other** end of travel: when can the IRS prevent you from **leaving**?



Stopping a U.S. citizen from traveling because of tax debts is in the limelight as noted here, [Owe IRS Taxes, Lose Your Passport](#), and more recently here: [Forget Travel if You Owe the IRS](#). At the moment this is a **proposed** law not yet enacted. Yet it is stirring up considerable controversy.

Some people figure the IRS needs all the help it can get to collect taxes. Some civil libertarians seem outraged this restriction could be considered, much less enacted. Some people fear administrative glitches and potential administrative nightmares.

After all, they argue, tax liens are filed all the time, and some turn out not to be for valid tax debts. As this post notes, [Mammoth Bill Makes IRS Play Border Control](#), the proposed law appears in the pending Highway

Bill, more prophetically labeled the [“Moving Ahead for Progress in the 21st Century Act”](#) or [“MAP-21”](#). It would add a new section 7345, entitled “Revocation or Denial of Passport in Case of Certain Tax Delinquencies”.

To paraphrase:

The IRS can certify that someone has a “seriously delinquent tax debt” over \$50,000. The Treasury Secretary then sends it to the Secretary of State, which can then deny, revoke or limit the subject’s Passport. What’s a “seriously delinquent tax debt?”

Any debt where there’s a Notice of Federal Tax Lien or a Notice of Levy filed, but **excluding**:

- a debt that is being paid in a timely manner under an installment agreement, and
- a debt on which collection is suspended because of a pending or requested collection due process hearing (or certain other relief). Emergency circumstances or travel for humanitarian reasons could also be excepted.

**Lien on Me?** How often does the IRS file a Notice of Federal Tax Lien? Routinely when you owe taxes—it’s the IRS way of putting creditors on notice so the IRS will get paid. The IRS **automatically** has a lien and files notice so creditors know. IRS tax liens cover all your property even that acquired after the lien filing. The courts use it to establish priority in bankruptcy proceedings and real estate sales. See [Tax Liens Means IRS Thinks You Owe](#).

The IRS can file a [Notice of Federal Tax Lien](#) only after:

- IRS assesses the liability;
- IRS sends a Notice and Demand for Payment saying how much you owe; and
- You fail to fully pay within 10 days.

**Lien Mistakes?** A tax lien **can** be a mistake. The subject of the lien might not actually owe the taxes. A pile of paperwork may need to be straightened out. See [Got A Tax Notice? Here’s What To Do](#). In most cases, though, there’s no mistake and the IRS lien is valid.

Whatever your position on this debate, watch closely as this issue comes to a head.

For more, see:

[Owe The IRS? Bill Would Suspend Passport Rights For Delinquent Taxpayers](#)

[Got A Tax Notice? Here's What To Do](#)

[Lionel Richie To IRS: 'Hello Is It Me You're Looking For?'](#)

[Celebrity Leavings: Bidding Stars Adieu](#)

[5 Simple Rules to Follow When Amending Your Tax Return](#)

[Five More Tips For Amending Tax Returns](#)

[Three Tax Mistakes You Make Every Day](#)

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