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Mary J. Blige Is Obligated To IRS

Grammy winner Mary J. Blige is being chased for taxes again. Like mixing plaids and stripes, celebrities and taxes often seem to be in discord. Stars may make a lot of money, but they have big expenses and a complex lifestyle. And they often rely on managers and advisers to handle details most people handle themselves. Their handlers may not keep them fully informed.

Mary J. Blige has been chased by New Jersey tax authorities for [\\$901,769.65](#) in back taxes, and now is in scotch with the IRS. [According to TMZ](#), the IRS has recorded a tax lien claiming Ms. Blige failed to pay all her income taxes for the years 2009 (\$574,907.30), 2010 (\$2,203,743.53) and 2011 (\$647,604.60).

If that's all correct, the total is over \$3.4 million. Of course, the IRS wants to protect its position *viz.* other creditors.

Filing a notice of federal tax lien does that at least against unsecured creditors. If IRS bills aren't being paid, chances are there are other creditors out there too who may come calling. The IRS automatically has a lien, but it files notice so creditors know.



Mary J Blige (Photo credit: Wikipedia)

And IRS liens are powerful medicine. An IRS tax lien covers all your property, even if acquired after the lien is filed. The courts use it to establish priority in bankruptcy proceedings and real estate sales.

But there are procedural restrictions. 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.

Liens Last 10 Years. IRS liens last 10 years, and usually release automatically if IRS has not refiled them. However, you're better off to get them removed immediately, which you can apply to do once the taxes are paid.

Lien Release. Getting the IRS to release a lien usually involves: (1) paying the tax, interest and penalties; or (2) posting a bond guaranteeing payment. Even then the IRS may take 30 days. State or local government charges to file and release the lien are added to the amount you owe. See [IRS Publication 1450, Request for Release of Federal Tax Lien](#).

Entertainers aren't the only ones with tax lien problems, of course. Still, they do seem to get more than their fair share. From musicians to movie stars, the high earnings often don't mean smooth tax postures. See [Rapper Flavor Flav Gets Bitter Taste Of IRS Lien](#) and [In Taxes, Lindsay Lohan Is No Kim Kardashian](#).

A common question is whether tax liens can be wrong. Yes they can, but it is pretty rare for the IRS to file a notice of lien in error. For a well-known example of an erroneous lien, see [Dionne Warwick proves IRS tax liens can be wrong](#).

You can reach me at Wood@WoodLLP.com. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.