

## Standard Federal Tax Reporter (2015), 41,485.01, Revocation or Denial of Passport for Certain Tax Delinquencies: Synopsis - revocation or denial of passports for certain unpaid taxes

[Click to open document in a browser](#)

*Federal Tax > Federal Tax Editorial Content > Standard Federal Tax Reporter (2015) > Procedure and administration—Secs. 6001-9722 > Crimes—Secs. 7201-7344 > Forfeiture of property—Secs. 7302-7344 > Revocation or denial of passports for certain unpaid taxes—Sec. 7345 > [¶41,485] Revocation or Denial of Passport for Certain Tax Delinquencies - Explanations > 41,485.01, Revocation or Denial of Passport for Certain Tax Delinquencies: Synopsis - revocation or denial of passports for certain unpaid taxes*

Effective December 4, 2015, the Treasury Secretary is required to transmit the certification to the Secretary of State for action with respect to denial, revocation, or limitation of the individual's passport if the Treasury Secretary receives certification from the IRS Commissioner that an individual has a seriously delinquent tax debt ( [Code Sec. 7345\(a\)](#)), as added by the Fixing America's Surface Transportation (FAST) Act ( [P.L. 114-94](#))).

A seriously delinquent tax debt is an unpaid, legally enforceable federal tax liability of an individual, provided that the liability:

- has been assessed;
- is greater than \$50,000 (adjusted for inflation after 2016); and
- with respect to which either:
  - a notice of lien has been filed under [Code Sec. 6323](#) ( [¶38,160.01](#)), and the administrative rights with respect to the filing under [Code Sec. 6320](#) ( [¶38,134.01](#)) have been exhausted or have lapsed, or
  - a levy is made under [Code Sec. 6331](#) ( [¶38,187.01](#)) ( [Code Sec. 7345\(b\)\(1\)](#)) and (f), as added by [P.L. 114-94](#)).

Tax debts are excepted from this definitions in two situations:

- (1) the individual is paying the debt in a timely manner pursuant to an installment agreement ( [¶37,181.01](#)) or offer-in-compromise ( [¶41,130.01](#)), and
- (2) the IRS collection action is suspended because of a collection due process hearing ( [¶38,184.01](#)), or because innocent spouse relief has been requested or is pending ( [¶35,192.01](#)) ( [Code Sec. 7345\(b\)\(2\)](#)), as added by [P.L. 114-94](#)).

*Reversal of certification.* The IRS Commissioner must notify the Treasury Secretary, and the Treasury Secretary must subsequently notify the Secretary of State, if its certification is erroneous or if the debt with respect to such certification is fully satisfied or ceases to be a seriously delinquent tax debt because it falls under one of the exceptions ( [Code Sec. 7345\(c\)\(1\)](#)), as added by [P.L. 114-94](#)). The time frames for issuing the notice are as follows:

- for a debt that has been fully satisfied or has become legally unenforceable, the deadline is the date required for issuing the certificate of release of lien with respect to such debt under [Code Sec. 6325\(a\)](#) ( [¶38,170.01](#));
- for an individual electing or requesting innocent spouse relief, the deadline is not later than 30 days after the election or request;
- for a taxpayer paying under an installment agreement or an offer-in-compromise, the deadline is not later than 30 days after the agreement is entered into or the offer is accepted by the Treasury Secretary; and
- for certifications found to be erroneous, the deadline is as soon as practicable after the finding ( [Code Sec. 7345\(c\)\(2\)](#)), as added by [P.L. 114-94](#)).

*Notice to the taxpayer.* The IRS Commissioner must contemporaneously notify the individual of any certification or any reversal of certification. This notice must include a description in simple and nontechnical terms of the right to bring a civil action for judicial review ( [Code Sec. 7345\(d\)](#), as added by [P.L. 114-94](#)).

*Judicial review.* After the IRS Commissioner notifies the taxpayer, the taxpayer may bring a civil action against the United States in a district court of the United States or the Tax Court to determine whether the certification was erroneous or whether the IRS Commissioner has failed to reverse the certification. If the court determines that the certification was erroneous, the court may order the Treasury Secretary to notify the Secretary of State that such certification was erroneous ( [Code Sec. 7345\(e\)](#), as added by [P.L. 114-94](#)).

*Delegation.* A certification or reversal of certification may only be delegated by the IRS Commissioner to the Deputy Commissioner for Services and Enforcement, or the Commissioner of an operating IRS division ( [Code Sec. 7345\(g\)](#), as added by [P.L. 114-94](#)).

*Notices of lien and levy must include the possibility of loss of passport.* The IRS must include information regarding [Code Sec. 7345](#) relating to the certification of seriously delinquent tax debts and the denial, revocation, or limitation of passports of individuals with such debts in any notice of lien ( [Code Sec. 6320\(a\)\(3\)](#), as amended by [P.L. 114-94](#); see ¶38,134.21) or notice of levy ( [Code Sec. 6331\(d\)\(4\)](#), as amended by [P.L. 114-94](#); see ¶38,187.01).

*Authority to Treasury Department to share confidential tax information.* An exception is added to the list of situations in which tax information may be shared with other government agencies. If the IRS Commissioner certifies to the Treasury Secretary the identity of persons who have seriously delinquent federal taxes, the Treasury Secretary (or the Secretary's delegate) is authorized to transmit such certification to the Secretary of State for use in determining whether to issue, deny, renew or revoke a passport to an applicant. The information authorized to be shared is limited to the taxpayer's identity information, and the amount of the seriously delinquent tax debt ( [Code Sec. 6103\(k\)\(11\)](#), as added by [P.L. 114-94](#); see ¶36,894.0276).

*Combat zone.* For taxpayers serving in a combat zone or contingency operation, certification of a seriously delinquent tax debt under [Code Sec. 7345](#) is postponed until they are no longer serving in such a capacity ( [Code Sec. 7508\(a\)\(3\)](#), as added by [P.L. 114-94](#); see ¶42,687.01).

*State Department's authority to deny or revoke.* On receiving certification from the Treasury Department, the State Department will not issue a passport to any individual who has a seriously delinquent tax debt. In addition, the State Department may revoke a passport previously issued to any such individual. Exceptions are permitted for emergency or humanitarian circumstances, as well as short term use of a passport for return travel to the United States by the delinquent taxpayer (Act Sec. 32101(e) of [P.L. 114-94](#)).

*Passport applications require Social Security Number.* Upon receiving an application for a passport from an individual that either (i) does not include the social security number issued to that individual, or (ii) includes an incorrect or invalid social security number willfully, intentionally, negligently, or recklessly provided by such individual, the Secretary of State is authorized to deny such application and is authorized to not issue a passport to the individual. Exceptions are permitted for emergency or humanitarian circumstances, as well as short term use of a passport for return travel to the United States (Act Sec. 32101(f) of [P.L. 114-94](#)).

*Removal of certification from record.* If the Secretary of State receives from the Treasury Secretary a notice that an individual ceases to have a seriously delinquent tax debt, the Secretary of State will remove from the individual's record the certification with respect to such debt (Act Sec. 32101(g) of [P.L. 114-94](#)).

*Effective date.* These rules are effective December 4, 2015 (Act Sec. 32101(i) of [P.L. 114-94](#)).—CCH.