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seriously delinquent tax debt exceeding \$50,000, barring a special exception.

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***United States
of America***



Are some of your clients planning to take a trip out of the country? The IRS is

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The \$50,000 figure is adjusted annually for inflation. The threshold for 2019 is \$52,000.

The IRS began implementing this provision of the FAST Act last year. It is required to notify the State Department about taxpayers it has certified as owing a seriously delinquent tax debt. If a taxpayer currently has a valid passport, the State Department may revoke the passport or limit the individual's ability to travel outside the U.S.

When the IRS certifies a taxpayer to the State Department as owing a seriously delinquent tax debt, he or she receives Notice CP508C. This notice explains the steps the taxpayer must take to resolve the debt. Once the issue is resolved, either because the taxpayer paid it in full or made another payment arrangement, the IRS will reverse the taxpayer's certification within thirty days.

Before it denies a passport renewal or new passport application, the State Department holds the taxpayer's application for 90 days to allow them to resolve any erroneous certification issues, make full payment of the tax debt or enter a satisfactory payment arrangement with the IRS.

In the new reminder, the IRS points out several ways taxpayers may avoid having the IRS notify the State Department of a seriously delinquent tax debt. This includes:

- Paying the tax debt in full;
- Paying the tax debt in a timely manner under an approved installment agreement;
- Paying the tax debt timely under an accepted offer in compromise;
- Paying the tax debt timely under the terms of a settlement agreement with the Department of Justice (DOJ);
- Having requested or have a pending collection due process appeal with a levy; or

- Having collection suspended because a taxpayer has made an “innocent spouse”

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2. Offers in compromise: This settles the individual's tax liability for less than the full amount owed. The IRS examines the taxpayer's income and assets to decide his or her ability to pay. Taxpayers can use the pre-qualifier tool at https://irs.treasury.gov/oic_pre_qualifier to help decide whether they're eligible for an offer in compromise.

Don't let your clients get hung up at the airport as they attempt to board a plane. Ensure that they have met their tax obligations to Uncle Sam beforehand.

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