**Releasing a Levy**

When the IRS takes collection action, some taxpayers react with fear and anger. That reaction will not lead to a good result. There is only one way to deal with a collection action by the IRS, and that is to “give them what they need.” Levies and other collection actions require the IRS to follow strict rules and procedures. Levies take a lot of time and paperwork by the Revenue Officer, and believe it or not, they do not like to do it. The law and internal IRS guidelines require the IRS to release levies when certain conditions are met. If those conditions are not met, the levy will continue. The most important thing to a revenue officer is compliance. Compliance means getting all returns filed on time and paying taxes going forward on time. Once you are in compliance, the IRS will be much more reasonable in dealing with past delinquencies.

The IRS must release a levy if any of the following occur:

* The taxpayer pays the tax, penalty, and interest.
* Time for collection (the statute of limitations) ended before the levy was served.
* The taxpayer provides documentation proving that releasing the levy will help us collect the tax.
* The taxpayer enters into an installment agreement, unless the agreement says the levy does not have to be released.
* The levy is creating an economic hardship.
* The fair market value of the property exceeds such liability and release of the levy on a part of such property could be made without hindering the collection of such liability.
* Returning the property will help you pay your taxes.
* Returning the property is in your and the government's best interest.

There is a lot that I can do to help a taxpayer going through a difficult time. Let me know if I can help.