

# Requesting the United States to Release Its Right to Redeem Property Secured by a Federal Tax Lien

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**There is no standard form available for an application for Requesting the United States to Release Its Right to Redeem Property Secured by a Federal Tax Lien. Prepare your request in the form of a typed letter and submit it with all accompanying documents to:**

IRS, Attn: Technical Services Advisory Group Manager

*(Address Application to the IRS office that filed the lien. Use Publication 4235, Technical Services Advisory Group Addresses, to determine where to mail your request.)*

## General Information

Section 7425(d) of the Internal Revenue Code provides that the United States may redeem real property sold in a nonjudicial proceeding when the sale is made to satisfy a lien prior to that of the government. The Technical Services Advisory Group Manager for the Internal Revenue Area in which the property is located has been delegated authority to release any right to redeem property.

The government may release its right of redemption if you pay the Internal Revenue Service an amount equal to the value of that right; or if the IRS determines that the right of redemption is valueless.

Please follow all applicable instructions in this publication when you apply for a release by the United States of its right to redeem property under IRC Section 7425(d).

## General Instructions

1. Do not send any payment with your application. The Technical Services Advisory Group Manager will notify you of any amount due after your application is investigated and approved. When your payment (*if required*) is received, the Technical Services Advisory Group Manager will issue you a release of the right to redeem property.
2. Please send payment in cash, or by United States postal or bank money order, or a certified, cashier's or treasurer's check. Any payment made with uncertified funds will delay issuance of the release of the right to redeem until the funds are validated and honored. NOTE: Any questions regarding payment can be addressed with the Technical Services advisor assigned to handle the investigation.

3. JUDICIAL PROCEEDINGS – You can get an application for a release of right to redeem property from the United States Attorney's office for the judicial district in which the property subject to the right of redemption is located, if the United States has been properly named a party defendant in a judicial proceeding under Section 2410 of Title 28, United States Code.

## Specific Instructions

**Important:** You **must** include the date of your application.

1. Please give the name and address of the person requesting the United States to release its right to redeem property under Internal Revenue Code (IRC) section 7425(d).
2. Describe the property for which you are requesting the United States to release its right of redemption. Use the description in the title or deed to the property, or attach a certified copy of the title or deed. Include street address, city and state. Indicate whether it is a personal residence, rental property, commercial property, unimproved property, etc., at the time of the nonjudicial sale.
3. Furnish the following information about the nonjudicial sale (*such as a foreclosure, execution, state or local tax sale*):
  - Date sale was held.
  - Name and address of the Technical Services Advisory Group Manager to whom the notice of sale was sent (*if known*).
  - Name and address of purchaser.
  - Purchase price.
4. If the property owner at the date of this application was not the purchaser at the nonjudicial sale, give the owner's name and address.

5. List the encumbrances you want to have considered. For each encumbrance show:
  - Name and address of holder.
  - Description of the encumbrance.
  - Date it arose.
  - If the encumbrance was recorded, give the date and place.
  - The original principal amount of the encumbrance and the interest rate.
  - The principal amount due as of the date of the application, if known. (*Show costs and accrued interest separately.*)
  - Your family relationship, if any, to the holder of any other encumbrance on the property.
6. Attach a copy of each Notice of Federal Tax Lien affecting the property, or furnish the following information as it appears on each filed Notice of Federal Tax Lien:
  - Name of the Internal Revenue Area Office.
  - Name and address of the taxpayer.
  - Date and place each notice was filed.
7. Give your estimate of the fair market value of the real property with a detailed explanation of how you arrived at the estimate.
8. The Technical Services Advisory Group Manager may request you to furnish additional information.
9. Provide a daytime telephone number and E-mail address (*if available*) where you may be reached.
10. Provide the name, address, telephone number and E-mail address of your attorney or representative, if you have retained one.
11. You must make the following declaration over your signature and title. "Under the penalties of perjury, I declare that I have examined this application (*including any accompanying schedules, exhibits, affidavits, and statements*) and to the best of my knowledge and belief it is true, correct, and complete."

