

**From the desk of
Peter S. Muffoletto, C.P.A.**

IRS Revokes Passports for Taxpayers with Unpaid Taxes

The Internal Revenue has begun to enforce the ban on foreign travel by delinquent taxpayers under legislation passed and signed into law by the President, Obama, not Trump which was signed in 2015.

For taxpayers who are delinquent in paying their tax liabilities the IRS now informs the State Department who will then either deny or not issue, or not renew passports after receiving notification from the IRS.

The criteria for those who will be denied passports, or placed upon the national watch list are:

- Taxpayers with over \$50,000.00 in total unpaid taxes, interest, and penalties;
- A federal tax lien has been filed;
- A federal levy has been issued.

Those not subject to the travel ban include those who:

- have entered into an installment agreement which they have kept current as to terms and payments;
- those who have entered into an approved Offer In Compromise which has been approved by the Department of Justice, or accepted by the IRS, and the terms and payments are current;
- where a Collection in Due Process has been timely filed in connection to any taxes that maybe due;
- have filed an innocent spouse request

Prior to denying the issuance of a passport the State Department will hold any application for 90 days to allow for anyone who the IRS has notified the State Department to:

- resolve any erroneous issues reported by the IRS;
- the tax debt no longer is considered to qualify under the criteria above (i.e. this does not include sufficient payments to reduce the amounts due below \$50,000.00 inclusive of penalties and interest)
- full payment of the tax debt;
- enter into an installment arrangement satisfactory with the IRS;

Taxpayers who have substantial unpaid taxes are also are subject to being denied boarding aircraft bound for destinations outside the country as the TSA also have been issued watch lists for those who the IRS has notified the State Department.

We here at Muffoletto & Company believe that the more informed you are in regards to the rules and regulations that affect you the more we can be of service.

Should you have questions relating to tax or financial matters, give us a call at

(818) 346-2160,

or you can visit us on the web at

www.petemcpa.com!

Providing individuals, small businesses, corporations, partnerships, professionals, and other business entities with the necessary guidance and answers for a complex world.

IMPORTANT NOTICE

The contents of this email and any attachments to it may contain privileged and confidential information from Muffoletto & Company.

This information is only for the viewing or use of the intended recipient. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of, or the taking of any action in reliance upon, the information contained in this e-mail, or any of the attachments to this e-mail, is strictly prohibited and that this e-mail and all of the attachments to this e-mail, if any, must be immediately returned to Muffoletto & Company or destroyed and, in either case, this e-mail and all attachments to this e-mail must be immediately deleted from your computer without making any copies hereof.

If you have received this e-mail in error, please notify Muffoletto & Company by e-mail immediately.

To ensure compliance with Treasury Department regulations, we wish to inform you that, unless expressly stated otherwise in this communication (including any attachments) any tax advice that may be contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

If you prefer not to remain on our email lists, please let us know. We will remove you as soon as you notify us.

You may do so by emailing us at

pete@petemcpa.com