IRS Tax Debt â€“How the IRS Collects by Jacob Smith

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For all those who have IRS tax debt, the IRS has its own way of collecting the debts. Usually they make their own assessment of how much money you owe to them and based on that assessment they will pursue you for the IRS tax payment. However, you must remember that despite the IRS taking its time to make its assessment, if you owe them money you have to pay them back and the sooner you do it the better it will be for you and your tax debt. The tax returns that you file each year determine the amount of money that you owe them. If you have not filed yours in time, it may be time that you got serious about it. A lot of people have trouble managing their own taxes and if you are one of them then a professional may be able to help you.

The Notices

The IRS will serve a number of notices before they take any extreme measures to get the money that you owe them. When you receive such notices you must know that it is time you need some sort of tax debt help. You may receive a â€œNotice of Taxes Dueâ€• that will state the amount of money that you owe for a particular year. You may also receive a â€œNotice of Proposed Changesâ€• if the IRS decides to make any changes to a return that you as a taxpayer may have filed, often adding taxes or penalties as well as interests. They conduct an IRS tax audit where this amount is determined and if you are seeking IRS relief tax then this is the time you should get it. If you ignore notices you may finally end up with an IRS tax levy which is the last thing you want to encounter. They can send you a notice to levy with a 10 or 30 day warning, and you need to do what you can within this time period.

The Federal lien

You seriously need an IRS tax debt relief if they have filed a federal tax lien. You must understand that the IRS would not file a lien if the taxpayer owes less than $25, 000, but if you do then you may get one. However, there are certain ways by which you can attain tax debt settlement with the IRS, but if you have not handled such cases yourself then you must get tax solution from a professional. They will be able to guide you better with the new laws and procedures to get rid of your income tax debt or even reduce it to a great extent.

Tax Levy

This is a severe step taken by the IRS when you ignore the notices sent by them to pay of your back taxes. Once you receive the levy notice, you may expect a lot of financial harm. Your creditors, as well as all those sources of income that you may have, will also receive a copy of the levy that the IRS has sent to you so that they can draw a particular amount of money towards paying the back taxes that you owe to the IRS. Seek IRS debt relief in time to avoid such situations and be updated with your tax returns.

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