

**Abstract:** Taxpayers with large, outstanding tax bills need to watch out. The U.S. State Department could deny a passport application, or revoke or limit a current passport, if the IRS certifies that an individual has a seriously delinquent tax debt. This brief article provides more information.

## **A large unpaid tax bill could put your passport at risk**

Most Americans aren't using their passports right now. But it's still important to remember that, if the IRS certifies that you have a seriously delinquent tax debt (SDTD), your passport application could be denied, or your current passport could be limited or revoked.

You have an SDTD if 1) you owe more than \$53,000 (as indexed for inflation) in back taxes, penalties and interest, 2) the IRS has filed a Notice of Federal Tax Lien, *and* 3) the period to challenge the lien has expired or the IRS has issued a levy.

Should you find yourself in this situation, there are several steps to take to avoid losing your passport. First, obviously, you can pay your tax debt in full immediately. If that's not possible, you may be able to pay your debt on a timely basis according to an approved installment agreement, accepted offer in compromise or settlement agreement with the Justice Department.

Requesting a collection due process hearing regarding a levy, or having collection suspended through a request for innocent spouse relief, may also enable you to retain your passport. More important, the IRS won't likely notify the U.S. State Department of an SDTD during a federally declared disaster, such as the one we've experienced this year, or in the case of bankruptcy, identity theft or other hardships. Contact us for more info.