



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

5.10.8

MAY 18, 2021

EFFECTIVE DATE

(05-18-2021)

PURPOSE

- (1) This transmits revised IRM 5.10.8, Seizure and Sale, Judicial Sales.

MATERIAL CHANGES

- (1) IRM 5.10.8.11(2), editorial update to fix broken link to Delegation Order 1-23-2.
- (2) Editorial updates were made throughout to correct citations, broken links, etc.

EFFECT ON OTHER DOCUMENTS

This material supersedes IRM 5.10.8 dated September 15, 2020.

AUDIENCE

Small Business/Self-Employed Compliance Employees

Kareem Williams
Acting Director, Collection Policy

5.10.8
Judicial Sales

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5.10.8.1
(09-15-2020)
Program Scope and Objectives

- (1) **Purpose:** This section provides procedural guidance for collection staff on judicial sales.
- (2) **Audience:** This section is for collection employees dealing with judicial sales.
- (3) **Policy Owner:** Director, Collection Policy, SBSE.
- (4) **Program Owner:** Collection Policy, SBSE, Enforcement.
- (5) **Primary Stakeholders:** Advisors, Revenue Officers and Property Appraisal and Liquidation Specialists (PALS).
- (6) **Program Goals:** When the United States obtains a judgment related to taxes, employees of the IRS are authorized to sell property pursuant to a court order. These are referred to as “judicial sales.” By following the procedures in this IRM, employees will be able to correctly work judicial sales and handle all required actions relating to those sales.

5.10.8.1.1
(09-15-2020)
Background

- (1) Internal Revenue Manual 5.10.8, Judicial Sales, contains procedural guidance for judicial sales. The procedures contained in this section relate to:
 - pre-sale actions for judicial sales
 - judicial sale actions
 - post-sale actions for judicial sales

5.10.8.1.2
(09-15-2020)
Authority

- (1) The authorities for this IRM include:
 - 28 USC 2001
 - 28 USC 2002

5.10.8.1.3
(09-15-2020)
Responsibilities

- (1) The Director, Collection Policy is the executive responsible for the policies and procedures in this IRM.
- (2) The advisors are responsible for maintaining a record of sale and completing the post sale or post disposition actions of judicial sales.
- (3) The revenue officers and PALS are responsible for sale actions and coordinating post sale or post disposition actions with the advisors.
- (4) Managers are responsible for ensuring sale, post sale and/or post disposition actions are taken by employees in accordance with current law, policy and IRM procedures.

5.10.8.1.4
(09-15-2020)
Program Management and Review

- (1) **Program Reports:** Per IRM 1.4.53, Advisory and Property Appraisal and Liquidation Specialist Group Manager Operational Aid, CEASO Group Managers are required to review ICS to ensure cases are being effectively worked. The PALS charge time worked on judicial sales to time code 156 PALS Judicial Sales; open 156 OI reports are available to monitor open judicial sale cases.
- (2) **Program Effectiveness:** Civil Enforcement Advice and Support Operations (CEASO) conducts operational and performance reviews to ensure case actions are taken in accordance with applicable laws, policy and IRM procedures. National quality and consistency reviews are conducted to ensure consistency and effectiveness in case actions.

5.10.8.1.5
(09-15-2020)

Program Controls

- (1) Per IRM 1.4.53.4.6.6.1, CEASO Group Managers will consistently review:
 - Open 156 PALS Judicial Sales Reports / case hours
 - Other ICS Current Inventory Report
- (2) Certain processes in this IRM require managerial approval.
- (3) The ENTITY Case Management System can also generate certain unique reports to assist in managing assigned inventory.

5.10.8.1.6
(09-15-2020)

Acronyms and Definitions

- (1) The table below lists common acronyms used in this section.

Acronym	Definition
DOJ	Department of Justice
PALS	Property Appraisal and Liquidation Specialist
NFTL	Notice of Federal Tax Lien
USC	United States Code
TC	Transaction Code
FORT	Field Office Resource Team
IPAC	Intra-Governmental Payment & Collections
RRACS	Redesign Revenue Accounting Control System

5.10.8.2
(06-20-2014)

Introduction to Judicial Sales

- (1) Employees of the IRS are authorized to sell property pursuant to a court order when the United States obtains a judgment related to taxes. The cases normally originate from a revenue officer's request for a tax lien foreclosure suit. The suit recommendation is then referred by IRS Area Counsel to the Department of Justice (DOJ). The DOJ trial attorney will then file suit and obtain the judgment. Once a judgment is obtained, the property may be sold. In the past, the U.S. Marshals Service has conducted these sales. The Order of Sale may now provide that a Service employee, usually the Property Appraisal and Liquidation Specialist (PALS), may conduct the sale.
- (2) Once a judgment is entered in favor of the government, a judicial sale is held in accordance with the court's order. The court supervises the judicial sale from judgment entry through sale confirmation.
- (3) The type of sale is discussed with and recommended by local counsel to the DOJ. There are two types of judicial sales:
 - Public Auction
 - Private Sale
- (4) The judge enters an Order of Sale in the judicial proceeding. This order directs:

- Sale of a specific piece of property with proper notice
- Specific time and place of sale
- Specific terms and conditions of sale

- (5) The United States can request the establishment of a minimum bid for a public auction sale or a minimum sale price for a private sale.
- (6) The terms and conditions of the sale are at the discretion of the court and may either be specific or leave some items open for the employee to determine while arranging the sale.
- (7) The court may order that prior encumbrances be paid from the sale proceeds or that the property be sold subject to the prior encumbrances, but generally, the purchaser receives clear title to the property in a judicial sale after confirmation by the court.
- (8) There is no right of redemption in a judicial sale.

5.10.8.3
(06-20-2014)
Order of Sale

- (1) The PALS or other specified IRS employee can provide input to Counsel and the DOJ prior to the submission of the Order of Sale, and when the Order of Sale is entered, review the Order of Sale to determine how to proceed with the sale.
- (2) Unlike a seized property sale, an Order of Sale can contain specific provisions to facilitate the sale of the property. In some instances, a foreclosure action was recommended by the revenue officer because an administrative sale was attempted and failed, or the administrative sale was never attempted because it would not have been successful.
- (3) The Order of Sale may contain specific provisions that require the taxpayer or debtor to take certain actions which can help facilitate a sale of difficult property. These actions may include instructions to:
 - Refrain from damaging the property or otherwise interfering with the sale
 - Refrain from filing deeds, NFTLs, or other documents that would hurt the sale
 - Vacate the property and turn over the keys to the property on a specific date which can be either before or after the sale
 - Specify personal property that has not been removed from the vacated property is deemed to be abandoned and forfeited.
- (4) The Order of Sale may contain a Notice of Sale. If it does not, the employee will need to prepare one (IRM 5.10.8.6, Notice of Sale.)
- (5) Contacts made on cases in litigation are not subject to third party reporting requirements.
- (6) In certain situations, such as when the taxpayer may try to interfere with the sale, the court can authorize the Service to conduct a private sale. This sale is different from a public sale because the employee will attempt to independently locate a buyer for the subject property.

5.10.8.4
(06-20-2014)
Pre-Sale Actions

- (1) The sale is similar to a sale of seized property; however, there are some differences and other actions to take in order to conduct a judicial sale.

- (2) 28 USC section 2001 requires that the public sale be held at one of the following:
 - The courthouse of the county, parish, or city in which the greater part of the property is located, or
 - The premises of the property itself
- (3) The employee should provide Counsel with information as to the best location for the sale so the information can be included in the Order of Sale.
- (4) The employee will conduct a current title search or secure a current title search report, to include:
 - The Lis Pendens filing date
 - Judgment information related to the Order of Sale
 - Other recorded encumbrances, including those filed after the commencement date of the court action
 - Any delinquent real property taxes, whether recorded or not
 - Any other recorded encumbrance holders who will be affected by the sale of the property
 - The NFTL recording information or other recording information evidencing the government's interest in the property
 - Date the Abstract of Judgment was recorded. If it has not been recorded, contact the DOJ trial attorney to discuss whether it should be recorded in the county where the property is situated prior to sale.
- (5) The employee will contact holders of all senior encumbrances, as recognized by the judgment, and secure a current payoff amount from them.
- (6) The Order of Sale will normally list the parties that should receive a copy of the Notice of Sale. Mail the Notice of Sale to all persons holding encumbrances of record and to the taxpayer or debtor in the judgment. The Order of Sale may specify the required method of delivery, and in some cases it may require the preparation of a Judicial Sale Process Receipt and Return document. See Exhibit 5.10.8-1, Judicial Sale Process Receipt and Return Document.
- (7) In most cases the court order will contain language ordering all persons occupying the property to vacate the property permanently. This is commonly referred to as an eviction notice. The Service will not conduct the eviction, but will coordinate the eviction with the U.S. Marshals office. In most cases, the Service will pay the eviction expenses as part of the sale expenses with the U.S. Marshals office conducting the eviction. Expenses can include, but are not limited to, locksmith, electrician, plumber, and trash removal; however, there is normally no charge by the U.S. Marshals Service. The Order of Sale should indicate the above coordination concerning the eviction. Refer to IRM 5.10.8.9, Evictions, for additional information.
- (8) If the Order of Sale contains an eviction notice, the PALS should prepare a letter directing the taxpayer/occupants to vacate the property by the required date stated in the Order. The date is usually 30 days from the date the Order was entered. See Exhibit 5.10.8-2, Eviction Letter Template. Personal service of the letter is preferable, but it can be mailed by both regular and certified mail along with a copy of the Order.

Note: When considering the delivery method exercise judgment before attempting personal service. Refer to IRM 5.1.3, Safety, Security, and Control, for guidance regarding personal contact with the taxpayer/occupant.

- (9) Contact the U.S. Marshal's office in the jurisdiction where the property is located to advise them of the Order containing the eviction notice. Provide a copy of the Order and the eviction letter so they can be prepared should an eviction be necessary.
- (10) If the taxpayer files bankruptcy before the sale, the employee should contact the appropriate Field Insolvency office immediately for guidance per IRM 5.9.1.4(8), Cessation of Collection Actions.
- (11) The Order of Sale may contain language regarding rent payment collection from tenants of the sale property. The PALS or other specified employee can provide input to counsel and DOJ regarding the rent payment collection method before the Order of Sale is issued. The facts and circumstances of each case are unique and ultimately the terms and conditions of the sale, including the rent payment collection method, are at the discretion of the court. After the Order of Sale is issued, the PALS may consult with the DOJ attorney or counsel regarding concerns with the Order of Sale, including the rent payment collection method.

5.10.8.4.1
(06-20-2014)
NFTL Information

- (1) The employee must ensure that the NFTLs are correct, and if applicable, were timely refiled by Collection. If the NFTLs are not current, the judgment priority date changes, which can change the equity in the property being sold.
- (2) If the NFTL has expired and the statutory lien has self-released, coordinate with Advisory to have Collection file a revocation of lien release, file a new NFTL, and determine whether the priority has changed.

Note: Verification of priority dates is extremely important.

5.10.8.5
(06-20-2014)
Private Sales

- (1) A private sale may be preferred for difficult situations and properties. This type of sale is rare, but it can be ordered by the court, usually at the request of the DOJ.
- (2) If the court determines that the best interest of the parties are served through a private sale, the Service will attempt to locate a purchaser for the property.
- (3) The court will appoint three disinterested parties to appraise the property. The purchase price obtained by the employee may not be confirmed at less than two-thirds of the appraised value.
- (4) Before the court confirms a private sale, the employee must publish the terms of the private purchase agreement in a newspaper or newspapers of general circulation as directed by the court at least ten days before confirmation.
- (5) The private sale will not be confirmed if another potential purchaser tenders an offer, under the conditions of the court, which offers at least a ten percent increase over the published purchase price and original offer.

5.10.8.6
(06-20-2014)
Notice of Sale

- (1) The employee must publish the Notice of Sale (Exhibit 5.10.8-3) for public auctions per the legal requirements. Section 2002 of 28 USC contains the legal requirements for advertising a judicial sale. The Notice of Sale must be published once a week for at least four weeks prior to the sale in at least one newspaper regularly issued and of general circulation in the county, state, or judicial district of the United States where the realty is situated. The first notice must appear at least 28 days before the sale.
- (2) In addition, the Notice of Sale should be posted and advertised in order to market the property and attract prospective bidders. The Notice of Sale may be posted at:
 - The county courthouse
 - Other county offices
 - The local IRS office
 - Any other location that could attract prospective bidders
- (3) The Notice of Sale information should also be included on the internet. The employee should inform prospective bidders (and include on the internet advertisement) that it is a judicial sale and not a sale of seized property. The benefits of a judicial sale should be explained to the prospective purchasers.

5.10.8.7
(06-20-2014)
Sale Day Actions

- (1) A public auction judicial sale is similar to a seized property sale. The employee will make the opening statement regarding the type of sale, property being sold, and the conditions of the sale. This information should all be contained in the Notice of Sale. The sale of property still requires an assisting employee; however, the assistance need not be provided by a Service employee. If circumstances warrant, and with the concurrence of the PALS group manager, the assisting employee may be a law enforcement officer, including the U.S. Marshal or Deputy Marshal. The case history should clearly identify the assisting employee.
- (2) In addition, it is important for the employee to state that:
 - a. The sale is a result of an order of judicial foreclosure obtained by the DOJ, ordered in the district court. The order states that the federal tax lien be foreclosed upon and the property sold.
 - b. The taxpayer or debtor has no rights of redemption.
 - c. The successful purchaser is responsible for the eviction of any current tenants or residents of the sold property, if not provided for otherwise in the Order of Sale.
 - d. The court will confirm the sale. Confirmation of the sale will discharge the property from all liens, encumbrances, and titles over which the United States has priority or as otherwise provided by the Order of Sale.
 - e. The sale shall be free and clear of the taxpayer's or debtor's interests.
- (3) After making the opening statement, the employee will begin the public auction sale. At the conclusion of the bidding, the employee will make the following statement: "In accordance with the provisions of 28 USC sections 2001 and 2002, I hereby declare this property sold to the highest bidder for the sum of \$ _____."

5.10.8.7.1
(06-20-2014)
Payment of Bid

- (1) The court will determine:
 - How the purchaser tenders the deposit
 - Payment of the bid price
 - How the Service will deposit the remittance
- (2) Coordination among the employee specified to conduct the sale, IRS Area Counsel, the DOJ trial attorney, and the Assistant U.S. Attorney (if applicable) in the early planning stages will make this aspect of the sale go smoothly.

Reminder: DOJ forwards the Order of Sale or proposed Order of Sale to the PALS group manager for assignment. The manager will review the case prior to assignment to ensure the Order of Sale requires sale proceeds be made payable to the Clerk of the Court with jurisdiction. All judicial sale proceeds should go through the court. If the Order of Sale does not provide for this the DOJ trial attorney can file a motion to amend the Order of Sale and must do so in order for the Service to conduct the sale.

Note: Sometimes, for a variety of reasons, the judge may include a statement in the final judgment (Order of Sale) for the IRS to distribute the proceeds. When this happens follow procedures in IRM 5.10.8.10 (5).

- (3) Upon declaring the property sold, the employee will issue a letter to the purchaser (Exhibit 5.10.8-4) to indicate:
 - The amount of the successful bid and name of the purchaser
 - The date and description of the property sold
 - The type of payment and amount received
 - If payment is deferred, the due date and amount due for the balance
 - The sale is subject to confirmation of the court before a deed can be issued
- (4) The employee must convert any cash remittances to conform to the court order and forward the payment as directed by the Order of Sale. If sale proceeds are to be mailed to the Clerk of Court, you must include two copies of the Order of Sale, PALS contact information, and a self-addressed postage paid envelope. A request should be made to the Clerk of the Court to return a stamped copy of the Order of Sale and a receipt for the deposit of funds into the court's registry. When possible, these deposits should be made in person with the court. If it is necessary to mail a remittance, it must be sent via overnight traceable delivery.
- (5) Expenses incurred on the account should be charged to the taxpayer's account with the input of transaction code (TC) 360 for the amount of the applicable expense.

Note: The request for input of TC 360 for expenses should be routed to the Field Office Resource Team (FORT) in Centralized Case Processing in the Philadelphia Campus. For more information regarding the FORT Unit, go to <http://mysbse.web.irs.gov/AboutSBSE/aboutccs/ccsprog/casepro/ccpcoll/fort/21056.aspx>.

5.10.8.7.2
(06-20-2014)
Default on Bid

- (1) If full payment is not received, or if the deferred payment is not received within the prescribed period, declare the sale null and void, and re-advertise and sell the property again unless the Order of Sale contains specific language dealing with default. If so, follow the provisions in the Order of Sale and any direction provided by the DOJ trial attorney.
- (2) The new purchaser at the new sale will receive the property or rights to property free and clear of any claim or right of the defaulting purchaser.
- (3) As provided for in the court order, the deposit on a deferred payment may be retained by the United States as damages. Consult with the DOJ trial attorney to determine what action is appropriate.
- (4) The amount deposited will be applied to the expenses of sale, including the costs of advertising for the new sale. Normally, the court order will provide that any excess be applied to the liability of the taxpayer whose liability is the subject of the lien foreclosure action, but the court order may in some cases provide that the excess be returned to the depositor.

5.10.8.8
(06-20-2014)
Declaration

- (1) Immediately after the sale, provide the trial attorney with a declaration.
- (2) In some jurisdictions the DOJ trial attorney may provide a template for the declaration, if not, it will include the following information:
 - How, when and where the Notice of Sale was published
 - The number of bidders present at the sale
 - The successful bid amount
 - A breakdown of the sale expenses (expenses should be charged to the account with a TC 360)
 - The name and address of the successful bidder
 - The original "publisher's affidavit"
 - Any other information required by the trial attorney specific to the case
- (3) Provide a copy of the declaration to the advisor in Advisory who maintains the judicial sale cases.

5.10.8.9
(06-20-2014)
Evictions

- (1) If it is determined that the taxpayer/occupants have not vacated the property in accordance with the Order of Sale, the PALS should either contact the DOJ trial attorney to coordinate the contact with the U.S. Marshal's office or contact the U.S. Marshal's office directly. Verification that the property has been vacated can be completed by the PALS if the property is located within his/her collection territory. If not, the PALS should contact the local law enforcement office to verify whether or not the property has been vacated.

Note: If the property is not located within the PALS' collection territory, and local law enforcement is not cooperative, the PALS may consider contacting the local collection group manager for assistance in verifying whether or not the property has been vacated.

- (2) The PALS should coordinate with the U.S. Marshal's office for the date of eviction. The PALS will need to schedule a locksmith to secure the property after eviction.
- (3) Depending on the time of year, it may be necessary to take additional steps to preserve the property including, but not limited to:

- Winterizing the property
- Turning on or shutting off utilities
- Maintaining the lawn

Note: The Order of Sale may state that maintaining the property up to the time of sale is the taxpayer's responsibility at their expense; however, depending on the individual facts of the case, the PALS may need to take the necessary steps to preserve the property.

- (4) The Order of Sale should state that personal property that has not been removed is deemed to be abandoned and forfeited. The PALS will dispose of the property in a reasonable and efficient manner. Proceeds from the sale of any abandoned or forfeited property will be applied to the tax debt.

5.10.8.10
(06-20-2014)
Closing Memorandum

- (1) Prepare a memorandum titled, "Proceeds from the Judicial Sale of Real Property," and include the following information:

- Case number
- Name and address of the taxpayer or debtor
- Name and address of the purchaser
- Sale amount
- Previous deposit amount, if any
- Full payment remittance amount
- Breakdown of expenses of sale, including name, address, amount, and services rendered
- Application of the proceeds

Note: If any senior encumbrances will be paid through the proceeds, include the name, address for payment, type of encumbrance, amount of payoff, and date through which the payoff amount is calculated.

- (2) Attach copies of the expense invoices, including copies of the publisher's affidavit and the information secured from the senior encumbrances representing the current payoff amounts.

- (3) Provide the DOJ trial attorney with the:

- Original memorandum
- Remittance
- Attachments

- (4) A copy of the memorandum should be retained in the sale file, and a copy should be sent to:

- U.S. Attorney
- Counsel
- Advisor in Advisory

- (5) The proceeds from judicial sales should not be sent to Submission Processing in Ogden. The judge issues an Order of Sale included in the final judgment. Therefore a memo and the remittance are to be sent to DOJ. DOJ (and sometimes the court) transmits the money to the IRS and this transmission may occur by Intra-Governmental Payment & Collections (IPAC). The PALS may contact the DOJ trial attorney to determine the DOJ contact that facilitates the IPAC transfer of funds to the IRS. The PALS may also contact the Submis-

sion Processing Account Contact for the Redesign Revenue Accounting Control System (RRACS) in Kansas City listed in IRM 3.17.15.11(1), Points of Contact, to determine the DOJ contact for the DOJ transfer to IRS process. Contact Advisory to address questions regarding the transfer of the sale proceeds. Elevated questions regarding the proceeds from judicial sales should be referred through advisory management and/or the Advisory subject matter experts.

Note: Sometimes the judge may include a statement in the final judgment for the IRS to distribute the proceeds. The PALS should follow the same procedure of preparing the memo outlined in IRM 5.10.8.10(1) describing the distribution of proceeds and forward to the DOJ trial attorney. The DOJ trial attorney may work with the DOJ contact that facilitates the IPAC transfer of funds to the IRS to distribute the proceeds per the PALS instructions.

5.10.8.11
(09-15-2020)
Deed Issuance

- (1) Upon confirmation of the sale by the Court, Advisory will prepare and issue a deed in accordance with the laws of the state in which the real property is situated. See Exhibit 5.10.8-5 for a sample of a deed issued for property sold under a judicial sale. The deed should be prepared within 30 days of confirmation, and sooner if possible.
- (2) The deed will be prepared in triplicate and will be forwarded through Area Counsel to the DOJ trial attorney for approval. After approval by the trial attorney, the CEASO Director, Area Director or delegated authority will sign the deed. The delegated authority to sign these deeds is the same as the delegated authority to sign deeds for seized property (Delegation Order 1-23-2 [formerly SB/SE Delegation Order 5.1 (Rev 2)]. See IRM 1.2.65.3.1 and IRM 1.2.65-2, SBSE 1-23-2 (Rev. 2), Authority to Sign and Issue Levy and Related Documents.). The deed will then be notarized and given to the purchaser of record. Ordinarily, the purchaser will record the deed, but in some limited circumstances the deed may be recorded before being given to the purchaser.

5.10.8.12
(06-20-2014)
Record of Judicial Sales

- (1) A record of the administrative judicial sale file is maintained by Advisory and will contain copies of the:
 - “Proceeds from the Judicial Sale of Real Property” memorandum (See IRM 5.10.8.10)
 - Declaration memorandum (See IRM 5.10.8.8)
 - Judicial Order of Sale
 - Notice of Sale
 - Deed

Exhibit 5.10.8-1 (06-20-2014)

Judicial Sale Process Receipt and Return Document (Reference IRM 5.10.8.4(6))

Date: _____ Type of Process: **Process Receipt and Return**

Court Case No. _____

Plaintiff _____

Defendant _____

Name(s) and
Address(s) for
Service _____

Special Instructions or Other information that will assist with service: Alternate addresses or telephone numbers.

Signature of Attorney or other Originator requesting service on behalf of : plaintiff / defendant

Telephone Number _____ Date _____

-----Space Below for use of Property Appraisal and Liquidation Specialist only-----

I hereby certify and return that I ___have personally served, ___have executed as shown in remarks, the process described on the individual, company, corporation, etc... shown at the address inserted above.

Name and Title of Individual Served _____

___a person of suitable age and discretion then residing in the defendant’s usual place of abode.

Date and Time of Service _____

Signature of Property Appraisal and Liquidation Specialist _____

Remarks _____

Part 1 - Clerk of the Court

Date: _____ Type of Process: **Process Receipt and Return**

Court Case No. _____

Plaintiff _____

Defendant _____

Name(s) and
Address(s) for
Service _____

Exhibit 5.10.8-1 (Cont. 1) (06-20-2014)

Judicial Sale Process Receipt and Return Document (Reference IRM 5.10.8.4(6))

Special Instructions or Other information that will assist with service: Alternate addresses or telephone numbers.

Signature of Attorney or other Originator requesting service on behalf of : plaintiff / defendant

Telephone Number

Date

-----Space Below for use of Property Appraisal and Liquidation Specialist only-----

I hereby certify and return that I ___have personally served, ___have executed as shown in remarks, the process described on the individual, company, corporation, etc... shown at the address inserted above.

Name and Title of Individual Served

___a person of suitable age and discretion then residing in the defendant's usual place of abode.

Date and Time of Service

Signature of Property Appraisal and Liquidation Specialist

Remarks

Part 2- PALS Record

Date:

Type of Process: **Process Receipt and Return**

Court Case No.

Plaintiff

Defendant

Name(s) and
Address(s) for
Service

Special Instructions or Other information that will assist with service: Alternate addresses or telephone numbers.

Signature of Attorney or other Originator requesting service on behalf of : plaintiff / defendant

Telephone Number

Date

-----Space Below for use of Property Appraisal and Liquidation Specialist only-----

I hereby certify and return that I ___have personally served, ___have executed as shown in remarks, the process described on the individual, company, corporation, etc... shown at the address inserted above.

Name and Title of Individual Served

___a person of suitable age and discretion then residing in the defendant's usual place of abode.

Exhibit 5.10.8-1 (Cont. 2) (06-20-2014)

Judicial Sale Process Receipt and Return Document (Reference IRM 5.10.8.4(6))

Date and Time of Service

Signature of Property Appraisal and Liquidation Specialist

Remarks

Part 3- Department of Justice

Date:

Type of Process: **Process Receipt and Return**

Court Case No.

Plaintiff

Defendant

Name(s) and
Address(s) for
Service

Special Instructions or Other information that will assist with service: Alternate addresses or telephone numbers.

Signature of Attorney or other Originator requesting service on behalf of : plaintiff / defendant

Telephone Number

Date

-----Space Below for use of Property Appraisal and Liquidation Specialist only-----

I hereby certify and return that I ___have personally served, ___have executed as shown in remarks, the process described on the individual, company, corporation, etc... shown at the address inserted above.

Name and Title of Individual Served

___a person of suitable age and discretion then residing in the defendant's usual place of abode.

Date and Time of Service

Signature of Property Appraisal and Liquidation Specialist

Remarks

Part 4- Acknowledgment of Receipt

Exhibit 5.10.8-2 (06-20-2014)
Eviction Letter Template

Date: (enter date)

(Taxpayer/Occupant's Name)

(Taxpayer/Occupant's Address)

Dear: (Enter Taxpayer/Occupant's Name)

In the matter of the United States v. (enter name and case citation) an Order of Sale was entered on (enter date). The Order in part states all persons occupying the Properties shall leave and vacate the properties permanently within 30 days of receipt of this order each taking with them all personal property (but leaving all improvements, buildings, fixtures, and appurtenances to the property.) A copy of the order is attached for your convenience.

This letter will serve as your notice that the IRS intends to take possession of the real estate as prescribed by the order. If you have not vacated the subject property [enter either (by Month Day, Year) or (within 30 days of the receipt of the Order of Sale)] the Internal Revenue Service will, in conjunction with the United States Marshal, at its earliest convenience take "all actions that are reasonably necessary to bring about ejection/eviction."

If you have any questions or need more information, please contact me at the address or the telephone number listed below.

Enter Property Appraisal and Liquidation Specialist
name, Address, Phone Numbers, and ID #

Sincerely,

(Enter PALS name)

Prop. app. & Liquidation Specialist

Employee ID#: (enter ID#)

Exhibit 5.10.8-3 (06-20-2014)**Notice of Sale (Reference IRM 5.10.8.6(1))**

Notice of Real Estate Auction

Under an Order of Judicial Sale entered in *United States v* _____, the United States will offer to sell at public auction property located in _____, _____ located at _____.

Enter Legal Description:

Date and Time of Auction:

Location of Auction:

Minimum Bid:

Terms and Conditions of Sale

The successful bidder shall be required to deposit at the time of the sale with the Internal Revenue Service, Property Appraisal and Liquidation Specialist, \$ _____, with the deposit to be made by certified or cashier's check. Before being permitted to bid at the sale, bidders shall display to the Internal Revenue Service proof that they are able to comply with this requirement. No bids will be accepted from anyone who has not presented that proof.

The balance of the purchase price for the realty shall be paid to the Internal Revenue Service, Property Appraisal and Liquidation Specialist, within thirty (30) days after the bid is accepted by certified or cashier's check payable as instructed by the Internal Revenue Service, Property Appraisal and Liquidation Specialist. If the bidder fails to fulfill this requirement, the deposit shall be forfeited. The realty shall again be offered for sale, under the terms and conditions of the judgment and decree. The United States may bid as a creditor against its judgment without any tender of cash.

The government reserves the right to reject any and all bids and to withdraw the property from sale. The sale shall be free and clear of all transfers and/or conveyances after _____, _____. The sale shall be subject to building lines if established, all laws, ordinances, and governmental regulation (including building and zoning ordinances), affecting the premises, and easements and restrictions of record, if any.

The United States District Court entered a judgment that _____ owned the property at the time the federal tax lien arose. *United States v* _____, _____. The judgment is now final. The United States will sell the right, title, and interest of _____ in the subject property, and _____ will have no right to redeem the property after the judicial sale.

The property is offered for sale "where is" and "as is" and without recourse against the United States. The United States makes no guaranty or warranty of condition of the property, or its fitness for any purpose. The United States will not consider any claim for allowance or adjustment or for the rescission of the sale based on failure of the property to comply with any expressed or implied representation.

The Court will confirm the sale. Confirmation of the sale shall discharge the property from all liens, encumbrances, and titles over which the United States had priority, or as provided in the Order of Sale.

Important Information

Exhibit 5.10.8-3 (Cont. 1) (06-20-2014)
Notice of Sale (Reference IRM 5.10.8.6(1))

This is not an advertisement of a sale of seized property. This is an information notice only regarding a sale being conducted by the Internal Revenue Service as a result of an Order of Sale to collect unpaid federal taxes obtained by the Department of Justice.

Additional information can be found at <http://www.treas.gov/auctions/irs> or call (xxx) xxx-xxxx. The information stated in other hyperlinks on this web page does not apply to this type of sale. It is important that any interested purchaser contact trial attorney _____ at (xxx) xxx-xxxx or Property Appraisal and Liquidation Specialist _____ at (xxx) xxx-xxxx for more information regarding this sale.

Exhibit 5.10.8-4 (06-20-2014)

Letter to Purchaser (Reference IRM 5.10.8.7.1(3))

Date:

Purchaser's Name

Purchaser's Address

Dear:

Receipt for Deposit

On (enter date) the real property located at (enter physical address) was sold at public auction under an (amended) order for sale of real property located at (enter physical address), county of (enter county). Case No. (enter case number), *The United States v.* (enter all party names).

The above property was sold to you as the highest bidder for \$ _____.

This is a receipt for the deposit (or full payment) of \$ _____ for the purchase of this property as received by (enter PALS NAME), Property Appraisal and Liquidation Specialist for the Internal Revenue Service, Employee No. (enter number).

(If applicable) The balance of the purchase price, \$ _____, must be received by (enter PALS NAME), Internal Revenue Service, (enter address and phone number), on or before (enter date of final payment) by (enter time). The payment must be made by (enter type of payment and who to make it out to as per the court order). If the purchaser fails to fulfill this requirement, the deposit shall be forfeited.

A deed will be issued upon final payment and sale confirmation by the court.

Purchaser's Signature: _____

Date: _____

Name of PALS _____

Date: _____

Witnessed: _____

Date: _____

**Exhibit 5.10.8-5 (06-20-2014)
Deed (Reference IRM 5.10.8.10(1))**

DEED TO REAL PROPERTY

THIS INDENTURE, made this _____ day of _____, 200 ____ by and between (enter area director’s name, Compliance Area Director, Area _____, authorized delegate of the Treasury, grantor; and (enter name of purchaser), (enter how title to be held), grantee.

WITNESSETH

WHEREAS, the United States District Court for the (enter District), in a Judgment entered on (enter date of judgment), in the case of the United States of America v (enter case name and number), ordered that the federal tax lien be foreclosed against the hereinafter described real property in order to pay delinquent Internal Revenue taxes assessed against (enter taxpayer’s name).

AND WHEREAS, the said property was sold on (enter date of sale) to (enter name of purchaser) for the sum of \$(enter amount), the receipt of which is hereby acknowledged, does grant, bargain, and sell to (enter purchasers name), all right, title, and interest in the real property in (enter county and state where the property is located) described as:

(ENTER THE LEGAL DESCRIPTION OF THE PROPERTY)

The property commonly known as (enter the common street address and the county recorder’s parcel number, if applicable).

The property shall be free and clear of all interests of the defendants, (enter the taxpayer(s)’ name(s)). The property shall be free and clear of all transfers and/or conveyances after (date Notice of Federal Tax Lien filed).

IN WITNESS WHEREOF, the grantor has hereunto set his hand on the date first above written.

Signature

Title:
