

ID: CCA_2009091114430603

Number: **200945052**

Release Date: 11/6/2009

Office:

UILC: 7425.05-00

From:

Sent: Friday, September 11, 2009 2:43:22 PM

To:

Cc:

Subject: RE: Sale of redemption right

Nothing in the Internal Revenue Code authorizes the Service to sell a right of redemption. However § 7425(d)(1) specifically limits redemption to the Secretary. In addition, for a fee, the Service may release a right of redemption. The Service may only release a right of redemption to a party with a proper interest in the property sold. 28 U.S.C. § 2410(e); Treas. Reg. § 301.7425-4(c)(4). The Service cannot release the right to redeem property to a third party.

Because the Code does not authorize the sale of a redemption right and the release of a right of redemption is limited to parties with a proper interest in the subject property, it follows that the Service cannot sell the right to redeem property to a third party.

Please let me know if you have any questions or concerns.