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## NOTICES OF FEDERAL TAX LIEN (NFTL): Amend the Internal Revenue Code to Require a Good Faith Effort to Make Live Contact With Taxpayers Prior to the Filing of the NFTL

### TAXPAYER RIGHTS IMPACTED<sup>1</sup>

- *The Right to Be Informed*
- *The Right to Challenge the IRS's Position and Be Heard*
- *The Right to Privacy*
- *The Right to a Fair and Just Tax System*

### PROBLEM

The Internal Revenue Code (IRC) authorizes the IRS to file a Notice of Federal Tax Lien (NFTL) in the public records when a taxpayer owes past due taxes to protect the government's interests in a taxpayer's property against subsequent purchasers, secured creditors, and judgment lien creditors.<sup>2</sup> However, the filing of an NFTL can significantly harm the taxpayer's credit and thus negatively affect his or her ability to obtain financing, find or retain a job, secure affordable housing or insurance, and ultimately pay the outstanding tax debt.<sup>3</sup>

The Internal Revenue Manual (IRM) instructs employees to make "reasonable efforts" to contact the taxpayer before filing an NFTL, but this generally involves the issuance of the statutory assessment notice and the balance due notices in efforts "to advise that an NFTL may be filed if full payment is not made when requested."<sup>4</sup> It does not include a requirement for an outbound call, *i.e.*, a live contact with the taxpayer.<sup>5</sup> The ten calendar days of the initial attempted contact or the initial actual contact with the taxpayer provided by the IRM for preparing a request for NFTL filing or the appropriate non-filing documentation is an incredibly short period to allow any "meaningful contact" to occur, let alone enable the taxpayer to provide the IRS with a clear picture of his or her current financial situation.<sup>6</sup> Moreover, the IRS may view taxpayers as unresponsive while in fiscal year (FY) 2016 only 44 percent of taxpayers could reach the IRS using the installment agreement telephone number on the notices they were provided with.<sup>7</sup> This allows for situations where NFTLs may then be filed against taxpayers who are trying to reach

1 See Taxpayer Bill of Rights, [www.TaxpayerAdvocate.irs.gov/taxpayer-rights](http://www.TaxpayerAdvocate.irs.gov/taxpayer-rights). The rights contained in the TBOR are now listed in the Internal Revenue Code (IRC). See Consolidated Appropriations Act, 2016, Pub. L. No. 114-113, Division Q, Title IV, § 401(a) (2015) (codified at IRC § 7803(a)(3)).

2 IRC §§ 6321, 6322, and 6323(a).

3 See National Taxpayer Advocate 2015 Annual Report to Congress 112-22 (Most Serious Problem: *Notices of Federal Tax Lien (NFTL): The IRS Files Most NFTLs Based on Arbitrary Dollar Thresholds Rather Than on a Thorough Analysis of a Taxpayer's Financial Circumstances and the Impact on Future Compliance and Overall Revenue Collection*).

4 Internal Revenue Manual (IRM) 5.12.2.2(1), *Taxpayer Contact* (Nov. 9, 2015).

5 A "reasonable effort" to contact the taxpayer includes "issuance of the statutory assessment notices and the balance due notices sent during the collection process ...." IRM 5.12.2.2(1), *Taxpayer Contact* (Nov. 9, 2015).

6 IRM 5.12.2.3.2(1), *Determination Requirements* (Oct. 14, 2013). The ten-day pre-filing consideration is a process of deciding whether to file, defer, or not file, an NFTL. IRM 5.12.2.3(1) (Oct. 14, 2013). About 37 percent of Accounts Management correspondence inventories are in "overage," meaning they have not been handled in the established timelines. See IRS, *Weekly Enterprise Adjustments Inventory Report*, fiscal year (FY) 2016 (week ending Oct. 1, 2016).

7 The customer service representative (CSR) level of service for the Installment Agreement/Balance Due phone number in FY 2016 was 44 percent. IRS JOC, *Snapshot Reports: Product Line Detail* (week ending Sept. 30, 2016).

the IRS and cannot, and such situations clearly erode taxpayers' trust in fair tax administration and can undermine future compliance.

In contrast, private sector creditors routinely use early intervention as a pre-collection mechanism.<sup>8</sup> It has become a standard in the mortgage industry for loan servicers to contact borrowers at least twice within the first 45 days of delinquency to discuss potential loss mitigation options available.<sup>9</sup> The Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (RESPA) require that the first contact, which must take place by the 36th day of delinquency, is a "live contact," or at least a good faith effort for live contact.<sup>10</sup>

In her 2015 Annual Report to Congress, the National Taxpayer Advocate recommended the IRS adopt an early intervention policy similar to the new standard in the mortgage industry that requires two contacts, one of which is a person-to-person attempt, rather than simply mailing a letter.<sup>11</sup> However, the IRS has declined to adopt this recommendation stating that requiring "live" contact "would inappropriately reward taxpayers actively avoiding the IRS."<sup>12</sup> This response reflects a profound misunderstanding of the value of "nudging" and taxpayer behavior, as well as an attitude toward taxpayers that assumes the worst about them.<sup>13</sup> It also suggests the IRS prefers simply "checking the box" on contacting taxpayers instead of actually attempting meaningful contact to resolve the tax liability early in the collection process.

## EXAMPLE

Taxpayer A is 58 years old. He lives paycheck to paycheck, in a rural community without access to reliable internet. Taxpayer A owes the IRS a little over \$10,000 due to an early withdrawal from his retirement account. He was recently laid off from work, lost his health insurance, and moved to a smaller house with a smaller monthly mortgage expense in the hope of paying off his rising debt. Taxpayer A received a series of notices in the mail about his tax liability and made repeated unsuccessful attempts to call the IRS toll-free line. Taxpayer A assumed the IRS knew that he has made unsuccessful attempts to reach the IRS, and finally gave up under the pressure of overwhelming life events. However, he was surprised to find out that a NFTL was filed despite his efforts. Following a job interview, his prospective employer requested a credit report for a background check, and discovered an NFTL. Taxpayer A lost the job opportunity due to the NFTL on his credit report. Also as a consequence, the interest rates on Taxpayer A's credit cards and mortgage loan increased. Without a job, Taxpayer A cannot find a way to pay off any of his tax debt while interest continues to accrue.

8 See, e.g., National Service Bureau, *Pre-Collection Services (Early Intervention)*, <http://www.nsbi.net/early-out-pre-collect> (last visited Dec. 16, 2016).

9 The Consumer Financial Protection Bureau (CFPB) has incorporated the need for early contact with delinquent debtors in the 2013 updated mortgage servicing rules by requiring loan servicers to contact borrowers at least twice within the first 45 days of delinquency and discuss potential loss mitigation options available, if appropriate. See 12 C.F.R. § 1024.39; Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (Regulation X), 78 Fed. Reg. 10696, 10787-10807 (Feb. 14, 2013).

10 *Id.*

11 See, e.g., National Taxpayer Advocate 2015 Annual Report to Congress 112-22 (Most Serious Problem: *Notices of Federal Tax Lien (NFTL): The IRS Files Most NFTLs Based on Arbitrary Dollar Thresholds Rather Than on a Thorough Analysis of a Taxpayer's Financial Circumstances and the Impact on Future Compliance and Overall Revenue Collection*).

12 National Taxpayer Advocate Fiscal Year 2017 Objectives Report to Congress, IRS Responses and National Taxpayer Advocate's Comments Regarding Most Serious Problems Identified in the 2015 Annual Report to Congress, vol. 2, 67.

13 For a discussion of the role of Behavioral Science in improving tax compliance, see Most Serious Problem: *The IRS Is Overly Focused on So-Called "Enforcement" Revenue and Productivity, and Does Not Make Sufficient Use of Behavioral Research Insights to Increase Voluntary Tax Compliance*, *supra*.

## RECOMMENDATION

The National Taxpayer Advocate recommends that Congress amend IRC § 6323 to require that prior to making the determination to file an NFTL, the IRS must make a “live contact,” or at least a good faith effort for “live contact,” telephonically or in-person, with the taxpayer to obtain financial information and discuss collection alternatives.

## PRESENT LAW

A federal tax lien (FTL) arises when the IRS assesses a tax liability, sends the taxpayer notice and demand for payment, and the taxpayer neglects or refuses to fully pay the debt.<sup>14</sup> The FTL is effective as of the date of assessment and attaches to all of the taxpayer’s property and rights to property, whether real or personal, including those acquired by the taxpayer after that date.<sup>15</sup> This lien continues against the taxpayer’s property until the liability either has been fully paid or is legally unenforceable.<sup>16</sup> This statutory lien is sometimes called the “secret” lien, because third parties — and usually the taxpayer — have no knowledge of the existence of this lien or the underlying tax debt.<sup>17</sup> To put third parties on notice and establish the priority of the government’s interest in a taxpayer’s property against subsequent purchasers, secured creditors, and judgment lien creditors, the IRS must file an NFTL in the appropriate location, such as a county register of deeds.<sup>18</sup> It is IRS policy not to use the NFTL as a negotiating tool.<sup>19</sup> Current law does not require the IRS to make a meaningful “live” contact, telephonically or in person, with the taxpayer *prior to* filing an NFTL.<sup>20</sup>

## REASONS FOR CHANGE

The IRS’s ability to file a NFTL, which protects the government’s interest in property against subsequent purchasers, secured creditors, and judgment lien creditors, is a power unlike that of other creditors, since the IRS does not need to obtain a judgment to file a NFTL.<sup>21</sup> The filing of a NFTL can significantly damage the creditworthiness of a taxpayer, which can negatively impact the taxpayer’s ability to obtain financing for a home or other major purchases, find or maintain a job, secure affordable rental housing or insurance, and pay the tax debt.<sup>22</sup> Several TAS studies show that NFTLs can unnecessarily harm taxpayers

14 IRC §§ 6321 and 6322. IRC § 6201 authorizes the IRS to assess all taxes owed. IRC § 6303 provides that within 60 days of the assessment the IRS must provide notice and demand for payment to any taxpayer liable for an unpaid tax.

15 See IRC § 6321; IRM 5.12.2.2, *Taxpayer Contact* (Nov. 9, 2015).

16 IRC § 6322.

17 IRC § 6321.

18 IRC § 6323(f); Treas. Reg. § 301.6323(f)-1; IRM 5.12.1.4, *Purpose and Effect of Filing a Notice of Federal Tax Lien (NFTL)* (Oct. 14, 2013).

19 IRM 5.12.2.1 (Nov. 9, 2015).

20 The current law requires the IRS to provide a Collection Due Process (CDP) notice to the taxpayer not more than five business days *after* the day of filing the NFTL. See *generally* IRC §§ 6320(a)(2). The CDP lien notice must inform the taxpayer of the right to request a CDP hearing within a 30-day period, which begins on the day after the end of the five-business day period after the filing of the NFTL. IRC § 6320(a)(3)(B); Treas. Reg. § 301.6320-1(b)(1). The CDP hearing must be conducted by an impartial IRS Appeals Officer who has had no prior involvement. IRC § 6320(b)(3). Taxpayers have the right to judicial review of Appeals’ determinations if they timely request the CDP hearing and timely petition the United States Tax Court. IRC §§ 6320(c), 6330(d).

21 IRC §§ 6321, 6322, and 6323(a).

22 See National Taxpayer Advocate 2014 Annual Report to Congress 225; see also Heather Struck, *A Bad Credit Score Affects a Lot More Than Credit*, FORBES, Jul. 20, 2011, <http://www.forbes.com/sites/heatherstruck/2011/07/20/credit-score-fico-can-hurt-you/>; written response from Vantage Score® (Sept. 17, 2009).

and reduce their ability to become or remain compliant with their federal tax filing obligations.<sup>23</sup> NFTLs also generate significant downstream costs for the government, often without attaching to any tangible assets.<sup>24</sup> The IRS files most NFTLs based on an arbitrary dollar threshold of the unpaid liability, with over 21 percent of NFTLs filed without human involvement in determining lien filings in FY 2015 alone.<sup>25</sup> This arbitrary dollar threshold is used instead of thorough analysis of the taxpayer's individual circumstances and financial situation or consideration of the NFTL's impact on future compliance and collected revenue. Even when the taxpayer attempted to initiate contact with the IRS by calling the installment agreement/balance due number provided on the majority of notices, only 44 percent of taxpayers could get through to the IRS.<sup>26</sup>

Prior to the filing of an NFTL, the IRM instructs employees to make “reasonable efforts” to contact the taxpayer to “advise [the taxpayer] that an NFTL may be filed if full payment is not made when requested.”<sup>27</sup> Per the IRM the request for an NFTL filing or the appropriate non-filing documentation must be prepared within ten calendar days of the initial attempted contact or the initial actual contact with the taxpayer or his or her representative.<sup>28</sup> A “contact,” as defined in the IRM, is made by either a field contact, the preferred method for Revenue Officers; a telephone call; or mailing a notice or letter to the taxpayer's last known mailing address.<sup>29</sup> For this initial contact, the taxpayer may be reached in person, telephonically, or by a notice or letter sent by certified mail, delivered in person, or left at the taxpayer's last known address.<sup>30</sup> A “reasonable effort” includes “issuance of the statutory assessment notices and the balance due notices sent during the collection process . . . .”<sup>31</sup> This last definition simply incorporates the standard “notice collection process” — thus, there is no additional requirement to make an interpersonal contact. Moreover, the IRS does not systemically track how often each “contact” method is used.<sup>32</sup>

A majority of attempted outbound telephone calls made by the IRS Automated Collection System (ACS) uses predictive dialers and does not result in actual contact with the taxpayers.<sup>33</sup> Many IRS letters and

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- 23 In fiscal years (FYs) 2009-2012, TAS Research & Analysis investigated the IRS's use of NFTLs and their impact on the compliance behavior of delinquent taxpayers. See National Taxpayer Advocate 2012 Annual Report to Congress vol. 2, 105-30 (TAS Research Study: *Investigating the Impact of Liens on Taxpayer Liabilities and Payment Behavior*); National Taxpayer Advocate 2011 Annual Report to Congress vol. 2, 91-111 (TAS Research Study: *Estimating the Impact on Liens on Taxpayer Compliance Behavior and Income*); National Taxpayer Advocate 2010 Annual Report to Congress vol. 2, 89-100 (*Estimating the Impact of Liens on Taxpayer Compliance Behavior: An Ongoing Research Initiative*); National Taxpayer Advocate 2009 Annual Report to Congress vol. 2, 1-18 (TAS Study: *The IRS's Use of Notices of Federal Tax Lien*).
- 24 See T. Keith Fogg, *Systemic Problems with Low-Dollar Lien Filing*, 2011 TNT 194-9 (Oct. 6, 2011); National Taxpayer Advocate 2011 Annual Report to Congress 109-28 (Most Serious Problem: *Changes to IRS Lien Filing Practices Are Needed to Improve Future Compliance, Increase Revenue Collection, and Minimize Economic Harm Inflicted on Financially Struggling Taxpayers*).
- 25 IRS Collection Activity Report (CAR), NO-5000-25, Lien Report, September, FY 2016 (Oct. 4, 2016). In FY 2016, there were 470,602 liens filed, including 5,144 refiled liens, with 178,651 arising in the Automated Collection System (ACS). Approximately 47 percent, of ACS NFTLs are filed manually. Small Business/Self-Employed (SB/SE) response to TAS information request (Oct. 19, 2015); IRS Collection Activity Report (CAR), NO-5000-25, Lien Report, September, FY 2015.
- 26 IRS Joint Operations Center (JOC), *Snapshot Reports: Product Line Detail* (week ending Sept. 30, 2016) (specifying that 44 percent level of service for the installment agreement line).
- 27 IRM 5.12.2.2(1), *Taxpayer Contact* (Nov. 9, 2015).
- 28 IRM 5.12.2.3.2(1), *Determination Requirements* (Oct. 14, 2013). The ten-day pre-filing consideration is a process of deciding whether to file, defer, or not file, an NFTL. IRM 5.12.2.3(1), *Notice of Federal tax Lien Filing Determinations* (Pre-filing Considerations) (Oct. 14, 2013).
- 29 IRM 5.12.2.2(2), *Taxpayer Contact* (Nov. 9, 2015).
- 30 See IRM 1.2.14.1.13, *Policy Statement 5-47* (Oct. 09, 1996).
- 31 IRM 5.12.2.2(1), *Taxpayer Contact* (Nov. 9, 2015).
- 32 See SB/SE response to TAS information request (Nov. 6, 2015).
- 33 SB/SE response to TAS information request (June 10 and Oct. 19, 2015).

notices in regard to the NFTL are returned to the IRS as undeliverable mail.<sup>34</sup> Even if the taxpayer receives a notice or a phone message and attempts to call the IRS back at the number provided on the majority of notices, it is unlikely he or she will get through to the IRS to make payment arrangements prior to automated NFTL filing by ACS. In FY 2016, the level of service for the Installment Agreement/Balance Due phone number was 44 percent — that is, less than half the calls from taxpayers trying to reach the IRS to make payment arrangements actually got through.<sup>35</sup> Because of the poor level of service on the payment phone line, the IRS may view taxpayers as being unwilling to pay when they were actually trying to reach the IRS to set up payment plans. Consequently, given the short timeframes for taxpayer response to a threat of lien filing, the IRS may be filing NFTLs against taxpayers who are trying to reach the IRS but cannot without in-person, “live” communication with the taxpayer prior to the NFTL filing.

The National Taxpayer Advocate has continuously discussed the importance and usefulness of meaningful contact, specifically personal contact, rather than simply mailing letters and providing taxpayers with information regarding their payment options.<sup>36</sup> A recent TAS research study demonstrated the need for meaningful contact with taxpayers early on to improve revenue collection.<sup>37</sup> The study determined that collection decreases as time passes, with dollar collections of over twice as much during the first year as in the second year, and over three times the collections in the third year.

In the private sector, creditors routinely use early intervention as a pre-collection mechanism.<sup>38</sup> It has become a standard in the mortgage industry for loan servicers to contact borrowers at least twice within the first 45 days of delinquency to discuss potential loss mitigation options available.<sup>39</sup> The regulations for RESPA require that the first contact, which must take place by the 36th day of delinquency, is a “live contact,” or at least a good faith effort for live contact.<sup>40</sup>

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- 34 In some cases, a taxpayer may not receive the Notice of Intent to Levy (NIL) or NFTL letter. In FY 2016, 31.5 percent of the NIL letters and 10.3 percent of the NFTL letters to individual taxpayers were undeliverable, unclaimed, or refused. TAS Research & Analysis, Individual Master File, ratio of individual taxpayers with transaction code 971 action code 67 or 68 to number of individual taxpayers with transaction code 971 action code 69 (NIL) and ratio of taxpayers with transaction code 971 action code 253, 254, or 255 to number of taxpayers with transaction code 971 action code 252 (NFTL) (Dec. 23, 2016). See IRM 5.12.6.3.17 (Oct. 14, 2013); see also National Taxpayer Advocate 2010 Annual Report to Congress 221-32 (Most Serious Problem: *The IRS Has Not Studied or Addressed the Impact of the Large Volume of Undelivered Mail on Taxpayers*).
- 35 IRS, JOC, *Snapshot Reports: Product Line Detail* (week ending Sept. 30, 2016). The CSR level of service for the Installment Agreement/Balance Due phone number in FY 2016 was 44 percent. *Id.* Overall, taxpayers have to wait a significant amount of time on hold to actually speak with an assistor. The SB/SE ACS number, 800-829-3903, and the Wage & Investment ACS number, 800-829-7650, do have a significantly higher level of service, over 72 percent and over 68 percent, respectively, however the taxpayer is not provided this number until after he or she has entered into ACS and the NFTL may have already been filed by ACS. IRS JOC, *Snapshot Reports: Product Line Detail* (week ending Sept. 30, 2016). For ACS incoming calls in FY 2016, the average speed of answer was 18.2 minutes. IRS JOC, *Snapshot Reports: Product Line Detail* (week ending Sept. 30, 2016).
- 36 See, e.g., National Taxpayer Advocate 2015 Annual Report to Congress 112-122; National Taxpayer Advocate 2014 Annual Report to Congress 226-45; National Taxpayer Advocate 2012 Annual Report to Congress 403-25; National Taxpayer Advocate 2011 Annual Report to Congress 336-47; National Taxpayer Advocate 2010 Annual Report to Congress vol. 2, 40-70; National Taxpayer Advocate 2009 Annual Report to Congress 17-40; National Taxpayer Advocate 2008 Annual Report to Congress 114-25; National Taxpayer Advocate 2006 Annual Report to Congress 62-82, 83-109, 110-29, 141-56.
- 37 National Taxpayer Advocate 2015 Annual Report to Congress vol. 2, 33 (*IRS Collectibility Curve*).
- 38 See, e.g., National Service Bureau, *Pre-Collection Services (Early Intervention)*, <http://www.nsbnet.net/early-out-pre-collect> (last visited Dec. 16, 2016).
- 39 The Consumer Financial Protection Bureau has incorporated the need for early contact with delinquent debtors in the 2013 updated mortgage servicing rules by requiring loan servicers to contact borrowers at least twice within the first 45 days of delinquency and discuss potential loss mitigation options available, if appropriate. See 12 C.F.R. § 1024.39; Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (Regulation X), 78 Fed. Reg. 10696, 10787-10807 (Feb. 14, 2013).
- 40 *Id.*

The National Taxpayer Advocate recommended the IRS to adopt an early intervention policy similar to the new standard in the mortgage industry that requires two contacts, one of which is a person-to-person attempt, rather than simply mailing a letter.<sup>41</sup> However, the IRS has declined to adopt this recommendation stating, bizarrely, that requiring “live” contact “would inappropriately reward taxpayers actively avoiding the IRS.”<sup>42</sup>

Meaningful and personal contact, such as a “soft” letter followed by a telephone call, sends a timely message to a taxpayer. Often a reminder is all that is necessary to resolve past-due debts prior to placing them in full collection. In fact, this is the very premise for the Private Debt Collection initiative — that a contact will generate payments and installment agreements.<sup>43</sup> It would be beneficial for the IRS, in terms of saving NFTL filing fees and promoting taxpayer rights and future compliance, to make “live” contact with taxpayers, or at least good faith, multiple attempts thereof, by contacting taxpayers via phone and through mailing monthly reminder notices (or SMS reminders) instead of filing an NFTL after just one attempt often made through mail correspondence.

## EXPLANATION OF RECOMMENDATION

The proposed legislative change would amend IRC § 6323, which governs NFTL filing, to require that prior to making the determination to file an NFTL, the IRS must make a “live contact,” or at least a good faith effort for live contact, telephonically or in-person, with the taxpayer to obtain financial information and discuss reasonable collection alternatives. This legislative change will modernize IRS’s NFTL filing practices by adopting the current standard in the mortgage industry under the RESPA regulations.<sup>44</sup> It will not inappropriately reward unresponsive taxpayers because the IRS will only need to make a good faith effort in reaching out to the taxpayers and would be able to issue regulations defining exactly what “reasonable effort of a live contact” means.

The Mortgage Servicing Rules under RESPA require that “a servicer shall establish or make good faith efforts to establish live contact.”<sup>45</sup> Loan servicers are to contact borrowers at least twice within the first 45 days of delinquency and discuss potential loss mitigation options available, if appropriate.<sup>46</sup> The commentary to the regulations clarifies that the rules are meant to allow flexibility, “taking reasonable steps to reach the borrower under the circumstances.”<sup>47</sup> Furthermore, if a borrower is unresponsive after repeated attempts at establishing live contact, including attempts at telephonic and written communication, then “good faith efforts” are satisfied.<sup>48</sup>

41 See, e.g., National Taxpayer Advocate 2015 Annual Report to Congress 112-122 (Most Serious Problem: *Notices of Federal Tax Lien (NFTL): The IRS Files Most NFTLs Based on Arbitrary Dollar Thresholds Rather Than on a Thorough Analysis of a Taxpayer’s Financial Circumstances and the Impact on Future Compliance and Overall Revenue Collection*).

42 National Taxpayer Advocate Fiscal Year 2017 Objectives Report to Congress, IRS Responses and National Taxpayer Advocate’s Comments Regarding Most Serious Problems Identified in the 2015 Annual Report to Congress, vol. 2, 67. In its response to the National Taxpayer Advocate’s recommendation, the IRS stated that the process used in the mortgage industry is irrelevant. The National Taxpayer Advocate disagrees with the IRS’s position because the mortgage industry rule demonstrates that early intervention proves to be a successful and efficient method of collection.

43 For a detailed discussion of the IRS Private Debt Collection Program, see Most Serious Problem: *Private Debt Collection (PDC): The IRS Is Implementing a PDC Program Inconsistently With the Law and Unnecessarily Burdening Taxpayers, Especially Those Experiencing Economic Hardship*, *supra*.

44 See 12 C.F.R. § 1024.39; Mortgage Servicing Rules Under the Real Estate Settlement Procedures Act (Regulation X), 78 Fed. Reg. 10696, 10787-10807 (Feb. 14, 2013).

45 *Id.*

46 *Id.*

47 CFPB guidance, *Implementation Guidance for Certain Mortgage Servicing Rules* (Oct. 15, 2013).

48 *Id.*

Adopting this legislative recommendation would allow the IRS, as “one of the largest financial institutions in the world,”<sup>49</sup> to catch up with the financial industry standards for early intervention in resolving delinquent accounts, save government resources on NFTL filing fees, promote taxpayer rights, and improve future compliance.

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49 IRS, *Careers Home*, <https://www.jobs.irs.gov/resources/job-descriptions/accounting-budget-finance> (last visited Dec. 16, 2016).