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Third Party Communication: None

UILC: 6323.02-02, 6343.00-00

Date of Communication: Not Applicable

Number: **201526015**

Release Date: 6/26/2015

From: [REDACTED]

Sent: Thursday, June 04, 2015 11:10:58 AM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: RE: lien priority issue

[REDACTED],

I agree with your conclusion regarding the [REDACTED] disbursement. As a future advance (an advance made by the bank post-NFTL filing), it would not be entitled to priority unless it primes the FTL by virtue of the 45-day rule (which it does not) or 6323(c). Whether or not the bank can shoehorn into 6323(c) protection would be for them to assert and at this point I take it that you have no reason to think it might qualify.

As long as the bank has a (b)(10) interest securing the mortgage (to the extent of [REDACTED]) and also a pre-NFTL security interest (section 6323(a) & (h)) securing the line of credit, then I agree with your methodology, below (though I did not double check the math).

Accordingly, it does make sense to me. You also need to confirm that the procedural requirements of section 6343(b) have been satisfied (primarily that the request was made within 9 months of the initial date of levy).

Finally, one thing to note is that section 6503(f) provides a tolling for the CSED (regarding the taxpayer's liability) based on this wrongful levy claim. Because there is going to be a large balance due once the wrongfully levied property is returned, you might want to think about having this tolling reflected in IDRS (IMF?). I don't know if this happens automatically or not, but it is worth mentioning to the RO.

Well done,