

## ***Offiler v. Commissioner, 114 T. C. 492 (2000)***

The Tax Court lacks jurisdiction to review IRS collection actions unless the taxpayer receives a notice of determination from the IRS Appeals Office following a timely requested hearing.

### **Summary**

Lucielle Offiler failed to request a collection due process hearing within 30 days of receiving an IRS notice of intent to levy for her 1994 and 1995 tax liabilities. Without a timely request, the IRS was not required to issue a determination, which is necessary for the Tax Court to have jurisdiction over the case. The court dismissed Offiler's petition for lack of jurisdiction, emphasizing that the absence of an IRS Appeals determination precludes judicial review. This case underscores the importance of adhering to statutory deadlines when challenging IRS collection actions.

### **Facts**

Lucielle Offiler received notices of deficiency for her 1993, 1994, and 1995 tax years but did not file timely petitions with the Tax Court. On February 1, 1999, the IRS sent Offiler a Final Notice-Notice of Intent to Levy for her 1994 and 1995 tax liabilities, informing her of her right to a collection due process hearing. Offiler did not request a hearing within the required 30 days. She later submitted a Collection Appeal Request on June 3, 1999, which was denied by the IRS on September 30, 1999. Offiler then filed a petition with the Tax Court on October 29, 1999.

### **Procedural History**

The IRS sent Offiler a notice of deficiency for her 1993 tax year on October 13, 1995, and for her 1994 and 1995 tax years on July 25, 1997. Offiler did not timely petition these deficiencies. On February 1, 1999, the IRS issued a notice of intent to levy for the 1994 and 1995 tax years. Offiler failed to request a collection due process hearing within 30 days. After her subsequent Collection Appeal Request was denied, Offiler filed a petition with the Tax Court, which the IRS moved to dismiss for lack of jurisdiction.

### **Issue(s)**

1. Whether the Tax Court has jurisdiction to review the IRS's collection action when the taxpayer did not request a collection due process hearing within 30 days of receiving the notice of intent to levy.

### **Holding**

1. No, because the Tax Court's jurisdiction under section 6330(d) is dependent upon the issuance of a determination by the IRS Appeals Office, which requires a timely

request for a hearing by the taxpayer.

### **Court's Reasoning**

The court applied section 6330 of the Internal Revenue Code, which mandates that a taxpayer must request a collection due process hearing within 30 days of receiving a notice of intent to levy. Offiler's failure to request a hearing within this timeframe meant that the IRS was not required to issue a determination, which is a prerequisite for Tax Court jurisdiction under section 6330(d). The court likened the absence of a determination to the absence of a notice of deficiency, which similarly results in a lack of jurisdiction. The court emphasized the statutory requirement for a timely request as a condition for judicial review, stating that without a valid determination, there was no basis for its jurisdiction. The court's decision underscores the strict adherence to statutory deadlines and the procedural nature of the Tax Court's jurisdiction in collection due process cases.

### **Practical Implications**

This decision reinforces the importance of timely action by taxpayers in response to IRS collection notices. Practitioners should advise clients to request collection due process hearings within the 30-day window to preserve their right to judicial review. The ruling highlights the procedural nature of the Tax Court's jurisdiction in such matters, indicating that failure to follow these procedures results in dismissal for lack of jurisdiction. For businesses and individuals, this case serves as a reminder to monitor and respond promptly to IRS notices to avoid losing the opportunity for administrative and judicial review. Subsequent cases have cited Offiler in dismissing petitions where taxpayers failed to request hearings within the statutory period, further solidifying the precedent set by this decision.