Wiley Ramey v. Commissioner of Internal Revenue, 156 T. C. No. 1 (2021)

In Wiley Ramey v. Commissioner of Internal Revenue, the U. S. Tax Court ruled that the IRS's mailing of a notice of intent to levy to a taxpayer's last known address by certified mail triggers the 30-day period for requesting a Collection Due Process (CDP) hearing, regardless of whether the taxpayer personally receives it. The court dismissed the case for lack of jurisdiction because the taxpayer's request for a hearing was untimely, highlighting the strict statutory requirements for CDP hearings and the implications for taxpayers' rights to judicial review.

Parties

Wiley Ramey, the petitioner, represented himself pro se throughout the litigation. The respondent, Commissioner of Internal Revenue, was represented by Joanne H. Kim, Justine S. Coleman, and Jordan S. Musen.

Facts

Wiley Ramey had a tax debt of $247,033 for the taxable years 2012 to 2016. On July 13, 2018, the IRS sent a Notice LT11 (Notice of Intent to Levy and Notice of Your Right to a Hearing) to Ramey at his address, 9520 Castillo Drive, San Simeon, CA, via certified mail, return receipt requested. This address was shared with several businesses. The notice was left at the address on July 16, 2018, by a USPS letter carrier and signed for by an individual named Joel, who was not Ramey's employee or authorized to receive his mail. Ramey received the notice shortly before the 30-day deadline but submitted his request for a CDP hearing on August 16, 2018, which was after the deadline of August 13, 2018.

Procedural History

The IRS treated Ramey's request as untimely and offered an equivalent hearing under section 301. 6330-1(i)(1) of the Treasury Regulations. After the equivalent hearing, IRS Appeals issued a decision letter sustaining the notice of intent to levy. Ramey petitioned the U. S. Tax Court for review. The Commissioner filed a Motion to Dismiss for Lack of Jurisdiction, which was later supplemented with additional evidence of service. An evidentiary hearing was held on July 31, 2020. The court granted the Commissioner's motion, dismissing the case for lack of jurisdiction due to the untimely request for a CDP hearing.

Issue(s)

Whether mailing a notice of intent to levy to a taxpayer's last known address by certified mail, return receipt requested, starts the 30-day period for requesting a CDP hearing under I. R. C. sec. 6330, even if the taxpayer does not personally receive the notice because the address is shared by multiple businesses and the notice is left with someone unauthorized to receive the taxpayer's mail.

Rule(s) of Law

I. R. C. sec. 6330(a)(2) requires that the notice of intent to levy be sent to the taxpayer's last known address by certified or registered mail, return receipt requested. Treasury Regulation section 301. 6330-1(a)(3), Q&A-A9, states that "Notification properly sent to the taxpayer's last known address * * * is sufficient to start the 30-day period within which the taxpayer may request a CDP hearing. * * * Actual receipt is not a prerequisite to the validity of the CDP Notice. "

Holding

The U. S. Tax Court held that the mailing of the notice of intent to levy to Ramey's last known address by certified mail, return receipt requested, started the 30-day period for requesting a CDP hearing under I. R. C. sec. 6330, despite Ramey not personally receiving the notice due to the shared address and unauthorized receipt by a third party. As a result, Ramey's request for a CDP hearing was untimely, and the court lacked jurisdiction to review the case.

Reasoning

The court's reasoning focused on the statutory and regulatory requirements for initiating the 30-day period for requesting a CDP hearing. The court emphasized that the statute and regulations do not require actual receipt of the notice, only that it be sent to the taxpayer's last known address by certified or registered mail, return receipt requested. The court rejected Ramey's argument that the notice was deficient because he did not personally receive it, finding that the IRS complied with the statutory requirements by properly addressing and sending the notice. The court also noted that Ramey's choice to share an address with multiple businesses did not change the IRS's obligation under the statute. The court's analysis included a review of prior case law and statutory interpretation, reinforcing the strict adherence to the 30-day deadline and the implications for judicial review.

Disposition

The U. S. Tax Court dismissed the case for lack of jurisdiction due to Ramey's untimely request for a CDP hearing.

Significance/Impact

This case underscores the strict statutory requirements for initiating the 30-day period for requesting a CDP hearing under I. R. C. sec. 6330. It clarifies that the IRS's responsibility is fulfilled by sending the notice to the taxpayer's last known address, regardless of actual receipt. This ruling may impact taxpayers who share addresses with other entities, emphasizing the importance of timely action upon notification of IRS actions. The decision also highlights the limited jurisdiction of the U. S. Tax Court in reviewing CDP cases, reinforcing the procedural nature of these hearings and the consequences of missing statutory deadlines. Subsequent cases may reference this decision to interpret the notice requirements under I. R. C. sec. 6330 and related regulations.

