§ 70.183 Administration and disposition of real estate acquired by the United States.

(a) Persons charged with. The appropriate TTB officer shall have charge of all real estate which has been or shall be assigned, set off, or otherwise conveyed by purchase or otherwise to the United States in payment of debts or penalties arising under provisions of 26 U.S.C. enforced and administered by the Bureau or which has been or shall be vested in the United States by mortgage, or other security for payment of such debts, or which has been redeemed by the United States, or which has been or shall be acquired by the United States for payment of or as security for debts arising under provisions of 26 U.S.C. enforced and administered by the Bureau, and of all trusts created for the use of the United States in payment of such debts due the United States.

(b) Sale. The appropriate TTB officer may sell any real estate owned or held by the United States as aforesaid, subject to the following rules:

(1) Property purchased at sale under levy. If the property was acquired as a result of being declared purchased for the United States at a sale under 26 U.S.C. 6335, relating to sale of seized property, the property shall not be sold until after the expiration of 180 days after such sale under levy.

(2) Notice of sale. A notice of sale shall be published in some newspaper published or generally circulated within the county where the property is situated, or a notice shall be posted at the post office nearest the place where the property is situated and in at least two other public places. The notice shall specify the property to be sold and the time, place, manner and conditions of sale. In addition, the appropriate TTB officer may use other methods of advertising and of giving notice of the sale if the appropriate TTB officer believes such methods will enhance the possibility of obtaining a higher price for the property.

(3) Time and place of sale. The time of the sale shall be not less than 20 days from the date of giving public notice of sale under paragraph (b)(2) of this section. The place of sale shall be within the county where the property is situated. However, if the appropriate TTB officer believes a substantially better price may be obtained, the sale may be held outside such county.

(4) Rejection of bids and adjournment of sale. The officer conducting the sale reserves the right to reject any and all bids and withdraw the property from the sale. When it appears to the officer conducting the sale that an adjournment of the sale will best serve the interest of the United States, that officer may order the sale adjourned from time to time. If the sale is adjourned for more than 30 days in the aggregate, public notice of the sale must be given again in accordance with paragraph (b)(2) of this section.

(5) Liquidated damages. The notice shall state whether, in the case of default in payment of the bid price, any amount deposited with the United States will be retained as liquidated damages. In case liquidated damages are provided, the amount thereof shall not exceed $200.

(6) Agreement to bid. The appropriate TTB officer may, before giving notice of sale, solicit offers from prospective bidders and enter into agreements with such persons that they will bid at least a specified amount in case the property is offered for sale. In such cases, the appropriate TTB officer may also require such persons to make deposits to secure the performance of their agreements. Any such deposit, but not more than $200, shall be retained as liquidated damages in case such person fails to bid the specified amount and the property is not sold for as much as the amount specified in such agreement.

(7) Terms. The property shall be offered for sale upon whichever of the following terms is fixed by the appropriate TTB officer in the public notice of sale:

(i) Payments in full upon acceptance of the highest bid,

(ii) If the price of the property purchased by a successful bidder at the sale is more than $200, an initial payment of $200 or 20 percent of the purchase price, whichever is the greater, and payment of the balance within a specified period, not to exceed one month from the date of the sale.
(8) **Method of sale.** The property may be sold either:

(i) At public auction, at which open competitive bids shall be received, or

(ii) At public sale under sealed bids.

(9) **Sales under sealed bids.** The following rules, in addition to the other rules provided in this paragraph (b), shall be applicable to public sales under sealed bids.

(i) **Invitation to bidders.** Bids shall be solicited through a public notice of sale.

(ii) **Form for use by bidders.** A bid shall be submitted on a form which will be furnished by the appropriate TTB officer upon request. The form shall be completed in accordance with the instructions thereon.

(iii) **Remittance with bid.** If the total bid is $200 or less, the full amount of the bid shall be submitted therewith. If the total bid is more than $200, 20 percent of such bid or $200, whichever is greater, shall be submitted therewith. Such remittance shall be by a certified, cashier's, or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a U.S. postal, bank, express, or telegraph money order. If payment in full is required upon acceptance of the highest bid, the payment shall be made at such time. If payment in full is not made at such time, the officer conducting the sale may forthwith proceed again to sell the property in the manner provided in paragraph (b)(8) of this section. If deferred payment is permitted, the initial payment shall be made upon acceptance of the bid, and the balance shall be paid on or before the date fixed for payment thereof. Any remittance submitted with a successful sealed bid shall be applied toward the purchase price.

(iv) **Time for receiving and opening bids.** Each bid shall be submitted in a securely sealed envelope. The bidder shall indicate in the upper left hand corner of the envelope the bidder's name and address and the time and place of sale as announced in the public notice of sale. A bid shall not be considered unless it is received by the officer conducting the sale prior to the opening of the bids. The bids will be opened at the time and place stated in the notice of sale, or at the time fixed in the announcement of the adjournment of the sale.

(v) **Consideration of bids.** The officer conducting the sale shall have the right to waive any technical defects in a bid. After the opening, examination, and consideration of all bids, the officer conducting the sale shall announce the amount of the highest bid or bids and the name of the successful bidder or bidders, unless in the opinion of the officer a higher price can be obtained for the property than has been bid. In the event the highest bids are equal in amount (and unless in the opinion of the officer conducting the sale a higher price can be obtained for the property than has been bid), the officer shall determine the successful bidder by drawing lots. Any remittance submitted in connection with an unsuccessful bid shall be returned to the bidder at the conclusion of the sale.

(vi) **Withdrawal of bid.** A bid may be withdrawn on written or telegraphic request received from the bidder prior to the time fixed for opening the bids. A technical defect in a bid confers no right on the bidder for the withdrawal of the bid after it has been opened.

(10) **Payment of bid price.** All payments for property sold pursuant to this section shall be made by cash or by a certified cashier's or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a U.S. postal, bank, express, or telegraph money order. If payment in full is required upon acceptance of the highest bid, the payment shall be made at such time. If payment in full is not made at such time, the officer conducting the sale may forthwith proceed again to sell the property in the manner provided in paragraph (b)(8) of this section. If deferred payment is permitted, the initial payment shall be made upon acceptance of the bid, and the balance shall be paid on or before the date fixed for payment thereof. Any remittance submitted with a successful sealed bid shall be applied toward the purchase price.

(11) **Deed.** Upon payment in full of the purchase price, the appropriate TTB officer shall execute a quitclaim deed to the purchaser.

(c) **Lease.** Until real estate is sold, the appropriate TTB officer may lease such property.

(d) **Release to debtor.** In cases where real estate has or may become the property of the United States by conveyance or otherwise, in payment of or as security for a debt arising under the laws relating to internal revenue, and such debt shall have been paid, together with the interest thereon (at the rate of 1 percent per month), to the
United States within 2 years from the
date of the acquisition of such real es-
tate, the appropriate TTB officer may
release by deed or otherwise convey
such real estate to the debtor from
whom it was taken, or to the debtor’s
heirs or other legal representatives. If
property is declared purchased by the
United States under 26 U.S.C. 6335,
then, for the purpose of this paragraph,
the date of such declaration shall be
deemed to be the date of acquisition of
such real estate.

(e) Accounting. The appropriate TTB
officer shall, in accordance with 26
U.S.C. 7809, account for the proceeds of
all sales or leases of the property and
all expenses connected with the main-
tenance, sale, or lease of the property.

(f) Authority of appropriate TTB offi-
cer. Notwithstanding the other para-
graphs of this section, the appropriate
TTB officer may, when such officer
deems it advisable, take charge of, and
assume responsibility for, any real es-
tate to which this section is applicable.
In such case, such officer will notify in
writing the appropriate TTB officer
from whom he or she is taking charge
and assuming responsibility. Also, in
any case where a single parcel of real
estate is situated in an area in which
more than one officer has jurisdiction,
the appropriate TTB officer may des-
ignate in writing one officer who is to
be in charge of, and responsible for, the
entire property.

§ 70.184 Disposition of perishable

(a) Appraisal of certain seized property.
If the appropriate TTB officer deter-
mines that any property seized by levy
is liable to perish or become greatly re-
duced in price or value by keeping, or
that such property cannot be kept
without great expense, the appropriate
TTB officer shall appraise the value of
such property and return it to the
owner if the owner complies with the
conditions prescribed in paragraph (b)
of this section or, if the owner does not
comply with such conditions, dispose of
the property in accordance with para-
graph (c) of this section.

(b) Return to owner. If the owner of
the property can be readily found, the
appropriate TTB officer shall give the
owner written notice of the appropriate
TTB officer’s determination of the ap-
praised value of the property. However,
if the appropriate TTB officer deter-
mines that the circumstances require
immediate action, the appropriate TTB
officer may give the owner an oral no-
tice of the determination of the ap-
praised value of the property, which
notice shall be confirmed in writing
prior to sale. The property shall be re-
turned to the owner if, within the time
specified in the notice, the owner:

(1) Pays to the appropriate TTB offi-
cer an amount equal to the appraised
value, or
(2) Gives an acceptable bond as pre-
scribed by 26 U.S.C. 7101 and § 70.281
of this part. Such bond shall be in an
amount not less than the appraised
value of the property and shall be con-
tioned upon the payment of such
amount at such time as the appro-
priate TTB officer determines to be ap-
propriate in the circumstances.

(c) Immediate sale. If the owner does
not pay the amount of the appraised
value of the seized property within the
time specified in the notice, or furnish
bond as provided in paragraph (b) of
this section within such time, the ap-
propriate TTB officer shall as soon as
practicable make public sale of the
property in accordance with the fol-
lowing terms and conditions:

(1) Notice of sale. If the owner can
readily be found, a notice shall be
given to the owner. A notice of sale
also shall be posted in two public
places in the county which the prop-
erty is to be sold. The notice shall
specify the time and place of sale, the
property to be sold, and the manner
and conditions of sale. The appropriate
TTB officer may give such other notice
and in such other manner as the appro-
priate TTB officer deems advisable
under the circumstances.

(2) Sale. The property shall be sold at
public auction to the higher bidder.

(3) Terms. The purchase price shall be
paid in full upon acceptance of the
highest bid. The payment shall be
made by cash, or by a certified, cash-
ier’s or treasurer’s check drawn on any
bank or trust company incorporated