§ 301.6503(g)–1 Suspension pending correction.

The running of the period of limitations on collection after assessment shall be suspended under this section with respect to the amount of money or the value of specific property returned. This section applies in the case of property wrongfully seized or received after November 2, 1966. The following example illustrates the principles of this section:

Example. On June 1, 1968 (at which time 10 months remain before the period of limitations on collection after assessment will expire), the appropriate official wrongfully seizes $1,000 in B’s account in Bank X and properly seizes $500 in taxpayer A’s account in Bank Y in an attempt to satisfy A’s assessed tax liability of $1,500. The appropriate official determines that the $1,000 seized in Bank X was not the property of taxpayer A and, on March 1, 1969, he returns the $1,000 to B. As a result of the wrongful seizure, the running of the period of limitations on collection after assessment of the amount owed by taxpayer A is suspended for the 9-month period (beginning June 1, 1968, when the money was wrongfully seized and ending March 1, 1969, when the money was returned to B), plus 30 days. Therefore, the period of limitations on collection after assessment prescribed in section 6502 will not expire until February 1, 1970, which is 10 months plus 30 days after the money was returned.

(b) Discharge of wrongful lien for substitution of value. If a person other than the taxpayer submits a request in writing for a certificate of discharge for a filed Federal tax lien under section 6325(b)(4), the running of the period of limitations on collection after assessment under section 6502 for any liability listed in such notice of Federal tax lien shall be suspended for a period equal to the period beginning on the date the appropriate official receives a deposit or bond in the amount specified in §301.6325–1(b)(4)(i) and ending on the date that is 30 days after the earlier of—

(1) The date the appropriate official no longer holds, or is deemed to no longer hold, within the meaning of paragraph (b)(4)(iv) of this section, any amount as a deposit or bond by reason of taking such action as prescribed in sections 6325(b)(4)(B) and (C); or

(2) The date the judgment secured under section 7426(b)(5) becomes final.

(c) As used in this section, the term appropriate official means either the official or office identified in the relevant IRS Publication or, if such official or office is not so identified, the Secretary or his delegate.

(d) Effective/applicability date. This section applies to any request for a certificate of discharge made after January 31, 2008.


§ 301.6503(j)–1 Suspension of running of period of limitations; extension in case of designated and related summonses.

(a) General rule. The running of the applicable period of limitations on assessment provided for in section 6501 is suspended with respect to any return of tax by a corporation that is the subject of a designated or related summons if a court proceeding is instituted with respect to that summons.

(b) Period of suspension. The period of suspension is the time during which the running of the applicable period of limitations on assessment provided for in section 6501 is suspended under section 6503(j). If a court requires any compliance with a designated or related summons by ordering that any record, document, paper, object, or items be produced, or the testimony of any person be given, the period of suspension consists of the judicial enforcement period plus 120 days. If a court does not require any compliance with a