

## I owe the Minnesota Department of Revenue. Now what?

*This information sheet explains some of your rights during the collection process.*

The Minnesota Department of Revenue is responsible for collecting taxes and other state debt. If you do not pay what you owe, we may take collection actions against you. The law provides you certain rights during these actions.

### Collection Actions

We can take these actions any time you have late debt, regardless of your arrangements with us.

#### Lien

Description	Your rights
We may file a lien (claim) against your property that stops you from selling, transferring, or refinancing. A lien is: <ul style="list-style-type: none"> <li>Recorded with the Secretary of State and/or the county.</li> <li>May show on your credit record for at least 7 years.</li> </ul>	<ul style="list-style-type: none"> <li>If you feel a lien was filed incorrectly, you may request an “administrative review.”</li> <li>If the department does not release the lien within 30 days after the debt is paid in full, you may sue us.</li> </ul>

#### Offset

Description	Your rights
We may take (“offset”) certain government payments to pay your debt, such as: <ul style="list-style-type: none"> <li>Vendor or contractor payment</li> <li>State income tax or Renters refunds</li> <li>Federal refunds or payment</li> <li>Wisconsin tax refunds</li> </ul>	<ul style="list-style-type: none"> <li>We cannot take Social Security income, veterans benefits, or railroad retirement benefits.</li> <li>We must notify you 60 days before we begin taking any federal government payments.</li> <li>If you have evidence the debt is not past due or not legally collectible, you may request a review.</li> </ul>

### Enforced Collection Actions

If you do not contact us by the due date on the bill or “demand to pay” letter we sent you, we can take more aggressive steps to collect your debt. We call these “enforced collection actions.” The most common enforced collection actions are below.

#### Levy

Description	Your rights
We may take money from your bank account, wages, or other income.	You may ask us to reduce or stop a levy due to financial hardship. (See “How can I stop collection actions?” on the next page.)

## License or Permit Revocation

Description	Your rights
We may cancel (“revoke”) or prevent renewal of your: <ul style="list-style-type: none"><li>• Business license</li><li>• Professional license</li><li>• Sales tax permit</li></ul>	<ul style="list-style-type: none"><li>• We must notify you 30 days before contacting the licensing authority.</li><li>• You may ask for a hearing to stop the revocation. You must request this within 30 days of the notice we send you.</li></ul>

## Seizure

Description	Your rights
We may take (“seize”) your property and sell it to pay off your debt.	You may request that we sell the property within 60 days.

## Business Liability

Description	Your rights
<ul style="list-style-type: none"><li>• If you are an officer or are responsible for filing returns or making tax payments for a business, you may be personally liable for the unpaid taxes.</li><li>• If you purchase a business, you may be liable for its unpaid taxes. If you contact us at least 20 days before the final purchase, we can tell you if the business is delinquent on any taxes.</li></ul>	If we assess you liable and you feel it is inaccurate, you may request a department administrative review of your case.

## Liquor Posting

Description	Your rights
<ul style="list-style-type: none"><li>• We will post your business on a list of delinquent taxpayers on our website if you have an active liquor license and are more than 10 days late filing or paying any business tax.</li><li>• While your business is on this list, no wholesaler, manufacturer, or brewer may sell or deliver any product to you.</li></ul>	We must notify you at least 10 days before we place your business on the liquor posting list.

## How can I stop all collection actions?

We will stop all collection actions when your debt is paid in full. Contact us at 651-556-3003, 1-800-657-3909 (toll-free), or [mdor.collection@state.mn.us](mailto:mdor.collection@state.mn.us) for a payoff amount.

## Payment options

- **Pay electronically from your bank account.** Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **payment options** into the Search box or call 1-800-570-3329. We do not charge you for using this service.

- **Pay by credit card or debit card.** Go to [www.payMNTax.com](http://www.payMNTax.com) or call 1-855-947-2966. Value Payment Systems processes these payments and charges you a fee for this service.
- **Pay by check or money order.** Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **pay by check** into the Search box. Follow the prompts in the e-Services Payment Voucher System.

### **Payment Agreements**

If you cannot pay your debt in full, you may call us at 651-556-3003 or 1-800-657-3909 (toll-free) to request a payment agreement. Payment agreements that include tax debt must pay a nonrefundable \$50 fee.

### **Financial Hardship**

If you cannot afford a payment agreement or the \$50 fee, you may apply for a financial hardship. “Financial hardship” means you cannot provide basic necessities for you and your family.

Examples include the inability to:

- Provide food
- Supply sufficient shelter
- Pay for utilities in your home
- Buy prescription medication
- Get critical medical treatment for yourself or an immediate family member

### **Your rights as a taxpayer**

At the Minnesota Department of Revenue, we're dedicated to upholding your rights as a taxpayer. For more information, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and select Taxpayer Rights at the bottom of the page, or contact the Taxpayer Rights Advocate.

You have the right to:

- Receive tax notices and bills that explain how much you owe in taxes, penalties, and interest – and why.
- Know why we are asking for information and what will happen if you do not give it to us.
- Receive prompt, courteous, and correct answers to your questions.
- Expect that we will not disclose the information you give us, except as authorized by law.
- Have an accountant, attorney, or other eligible adult represent you at any time.
- Record an in-person interview with a department employee if you notify us in advance.
- Buy a copy of our recording if we decide to record the in-person interview and you do not record it.
- Sue us (take us to court) for damages if you think any department employee recklessly or intentionally ignores the law while collecting your overdue taxes. However, if the court finds the lawsuit was frivolous or intended as a delaying action, the court will fine you.

### **You may contact the Taxpayer Rights Advocate**

As hard as we try to resolve disputes with taxpayers, we cannot always do that. In that case, you may contact the Taxpayer Rights Advocate at 651-556-6013, 1-855-452-0767 (toll-free), or [dor.tra@state.mn.us](mailto:dor.tra@state.mn.us).