

Is there a statute of limitations on Tax Debt?

Sometimes, people get into thinking if there will ever come a point when after years of collecting tax debts from you, the IRS can no longer impose any of its collection strategies. Is there such a thing as statute of limitations in [IRS tax debts](#)? Yes, there is.. The law states that the IRS can only go after you in a period of 10 years. After that, your debts are immediately erased, and so will your IRS problem.

Although this cases seems plainly simple, that is outlasting the IRS for 10 years just by not paying them, it is not. Ask anyone who has tried not to pay the IRS for any amount of time. They will comment that the government is rather excellent at using any procedures necessary to collect on a debt. During those 10 years, the IRS will definitely use every tactic and strategy available to get their money. Not only will the IRS take every possible action, a tax lien will also be placed on your credit record that will remain in effect until after the 10 years or until the statute of limitations has officially run its course. This tax lien will definitely decrease your credit score and in effect, you will not qualify for a loan of any sort. With this, you should try your best to refrain from getting a lien as it poses a grave IRS problem.

We are now left with the best option and this requires that we work with the IRS so the latter cannot and will not enforce extreme collection techniques. For all we know, 10 years is such a long time to wage war against the government, and the fact that certain occasions may extend the statute of limitations period makes the situation worse. For example, if you apply for an OIC, or an [Offer in Compromise](#), the process to receive an acceptance or denial could take over a year. During the time of the hearing, the statute of limitations is essentially frozen and resumes only after a decision was arrived at, and in the case of denial, another year is added to the prescribed period.

Filing for bankruptcy also increases your statute of limitations period. This occurs because until a decision on your bankruptcy claim is reached, the IRS cannot collect money from you and your 10-year period is frozen. In effect, your statute of limitation period is increased.

Many would take the information on [statute of limitations](#) as bad news. But if you are positive about it, you will realize that the IRS cannot run after you for unpaid taxes forever. The fact that certain measures are available to reduce the severity of any IRS problem also makes situations lighter. Again, the need to get professional assistance on this matter should not be underestimated. After all, dealing with the IRS is among the tasks that obviously requires the help of the experts.