

Mr. William M. Kinnersley, Superintendent  
Bureau of Receipts

(continued)

"(2) As conveyances. - Shall transfer to the purchaser all right, title and interest of the party delinquent in and to the property sold \* \* \*

"(b) Deed of real property. - \* \* \*

"(2) Deed as conveyance of title. - If the proceedings of the Secretary or his delegate as set forth have been substantially in accordance with the provisions of law, such deed shall be considered and operate as a conveyance of the right, title, and interest the party delinquent had in and to the real property thus sold at the time the lien of the United States attached thereto."  
(Emphasis supplied)

In any conflict between the Federal Government on account of its lien for taxes and the City and State on account of liens for real estate taxes, the date of assessment of the Federal lien controls. (See Opinion of this office dated October 19, 1962, File No. 105834) The Federal Government may sell the property of the taxpayer to satisfy its lien as is indicated in the above-quoted sections.

The courts have held that the sale of realty by the Federal Government extinguishes all municipal taxes which are junior in time to it, and the purchaser takes title clear from the date that the assessment of the Federal taxes was received in the office of the District Director of Internal Revenue. The case of U.S. vs. City of New York, 132 F. Supp. 779, Affd. 233 F.2d 309 (1956), is authority for this statement. In that case the Federal lien had accrued in April of 1933. The subject property was seized by the Government and sold on April 20, 1942. The conveyance by the United States to the purchaser purportedly gave the purchaser all the right, title and interest of the debtor-taxpayer as of December 17, 1941, the date upon which the lien was recorded. In a subsequent suit by the City of New York against the Federal Government to recover for the City's tax liens accruing between April 19, 1933, and December 17, 1941, the Federal Court held that the date of the attachment of the lien, namely April, 1933, the