

March 26, 1968

AC-7.2

Mr. Douglas R. Firman
Revenue Officer
Internal Revenue Service
Box 411
Olean, New York 14760

Dear Mr. Firman:

I am returning your letter of March 22, 1968 with attachments.

The notice of tax lien pertains to three individuals, all residents of Olean, New York. A review of the Aeronautical Center employee records fails to show any of the three persons in question.

In the event that these individuals may have an aircraft registered in their name with the Aircraft Registry, we would not be able to record the tax lien. Section 49.17(a) of the Federal Aviation Regulations (49 CFR 49.17(a)) provides in part:

"A notice of Federal tax lien is not recordable under this part, since it is required to be filed elsewhere by the Internal Revenue Code (26 U.S.C. 6321, 6323; 26 CFR 301.6321-1, 301.6323-1)."

If this matter does not pertain to either a Federal employee or a U.S. registered aircraft, please let me know and I will be glad to provide any possible assistance.

Sincerely yours,
ORIGINAL SIGNED BY
R. R. HAGADONE
R. R. Hagadone
General Attorney
Aeronautical Center
Legal Counsel

bcc:
AC-250

Internal Revenue Service
Washington, D.C. 20548
October 11, 1951
Honorable Earl Warren
U.S. Supreme Court Building
Washington, D.C.

Executive Director, Legislative Council, FBI

I am interested with the revision, interpretation, and
enactments implemented, Section 502 of the Internal
Revenue Code on the provision in paragraph 1 of the
letterhead captioned as follows:

A notice of Federal tax is not a document
under this Part since it is not a document
elsewhere on the Internal Revenue Code,
2051, 2052, or 2053. 2051, 2052, 2053.

I requested that you have copies of any correspondence
dated 12, 1948, on this subject and provide a copy
to the Commissioner, Internal Revenue Service, 400
between the Internal Revenue Code and Title V of the
referred to in the letter and other reports on the
question that, as a matter of law, notices of Federal
taxes are under Section 502 of the Internal Revenue Code.

Legislative Signature

The statement discussed herein was prepared by the
as amended amendments to Title V of the Internal
Code of New York. The Internal Revenue Service
that any statement of this nature would be a violation
between their statute and certain provisions of the
judgment that Title V of the Federal Revenue Code
the Internal Revenue Code, Section 502, is
an amendment to the pending bill to amend the
responsibility. This was included in the
Title V, 2051, the Internal Revenue Code.

Subsequently, Title V amendments were made
in the future to handle the Internal Revenue Code
the automation of our reporting system. It is
general agreement that it is not possible to
these items should be included in the Internal
seek this legislation, after it is passed
to have so internal data and the results.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

AERONAUTICAL CENTER
P. O. BOX 250B2
OKLAHOMA CITY, OKLAHOMA 73125

DATE: April 17, 1969

IN REPLY
REFER TO: AC-7.2

SUBJECT: Eligibility for recording: Agreement whereby unpaid charges for labor, parts, and other services constitutes a lien; AC-250 ltr of 4/11/69

TO: AC-250



In the subject letter you asked my opinion as to whether or not a document which you enclosed is eligible for recording.

The document appears to be a type of invoice for certain maintenance work performed on a Beech C45G, identified as N80323. The aircraft was owned by Cahokia Flying Service, Inc., and you point out that a Mr. Doug Gilliland signed on behalf of the corporation but did not show in what capacity he signed. The work in question was performed on October 7, 1968 but your records show that Cahokia Flying Service, Inc. sold the aircraft to Mid-America Air Transport, Inc. on February 10, 1969.

First of all, as you have noted, there are "signature problems" in that Mr. Gilliland's signature did not meet the requirements of FAR 49.13(b) which in turn refers back to FAR 47.13. As to the "mechanic's lien" itself, I realize that we have accepted similar types of documents in the past as a conveyance within the meaning of FAR 47.13(a). However, any document that we accept as a mechanic's lien must be a valid document as required by FAR 49.17(c). In looking into this matter a little further, I reviewed Volume IV of Martindale-Hubbell Law Directory. In that part dealing with the Missouri Law Digest, Page 1,098, Section 430.080 of the Missouri Revised Statute is summarized as follows:

"MECHANICS' LIENS ON CHATTELS.--Every person expending labor or material upon any chattel at the request of its owner, his authorized agent or lawful possessor thereof, in the amount of \$25 or less shall have a lien upon such chattel from the date of the commencement of such expenditure for the contract price until possession of such chattel is voluntarily relinquished to such owner or authorized agent or one entitled to possession thereof."

The repairs in question exceed \$25.00. In addition, Cahokia Flying Service sold this aircraft, and it is extremely unlikely that Cape Central Airways, Inc. retained possession of the aircraft from October 7, 1968 to February 10, 1969. I therefore suggest that you advise Insured Aircraft Title Service that the mechanic's lien in question does not appear to be a valid document under Missouri State Law and thus is not eligible for recording under FAR 49.17. I do not purport to be an expert on Missouri law, however, an obvious improper document should never be accepted by the Registry. In the event a member of the Missouri bar were to write us on this matter, I would be glad to consider this problem again.

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While it is not necessary at this time to attempt to answer a further question as to whether or not a mechanic's lien can be recorded against an aircraft that has since changed ownership, it does appear to me (without the benefit of extensive legal research) that such a document should not be recorded.

R. R. Hagadone

R. R. HAGADONE
General Attorney, AC-7.2

Enclosure