

**In re Phyllis COHEN, Debtor.**  
**No. 92-16014-BKC-AJC**

The debtor's confirmed chapter 11 plan provided that all of the debtor's pre-petition assets be paid or assigned to the IRS upon confirmation of the Plan, and in full satisfaction of any and all pre-petition liability and that all tax liens to be released upon confirmation of the Plan. The debtor retained no pre-petition assets, except those purchased from the trustee free and clear of liens. The Court found that the IRS failed to release the levy on Nationsbank issued in 1994 post-confirmation until June 8, 1999; continued to pursue collection of discharged liabilities; and failed to timely issue releases of federal tax liens. Therefore, the Court found the IRS in civil contempt which could be purged by the IRS' issuance and recording of Releases of Federal Tax Liens. The Court reserved determination as to actual damages as may be established by the debtor and whether to award punitive damages and if so the amount of the punitive damages.