

Tax Resolution Times



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Rapper DMX's Income Tax Payments are MIA

DMX, the recording star and actor, whose real name is Earl Simmons, surrendered to federal authorities after being charged with 14 counts of tax-related criminal charges totaling \$1.7 million in tax liabilities.

It's alleged that Simmons avoided using his personal bank accounts, and instead used the accounts of other individuals, including his business manager and lived mostly on cash. According to the indictment, Simmons earnings from 2002 through 2005 went unpaid. Authorities say he listed his income in 2011 and 2012 as "unknown", when he actually made \$353,000 in 2011 and \$542,000 in 2012. On his 2013 tax return, he reported earning \$10,000 of income when in reality he earned \$250,000 that year. In total for the years 2010 to 2015 Simmons earned over \$2.3 million.

Simmons appeared on the TV show "Celebrity Couples Therapy" and was paid \$125,000, but refused the first installment check as taxes were withheld. He went to the producer of the show and demanded a new check for the full amount, which he got.

If convicted on all counts, Simmons could face a maximum of 44 years in prison, plus monetary penalties and restitution to the IRS.

The IRS Smells Something Fishy with Alaskan Couple

Commercial fisherman from Alaska, Archie and Roseann Demmert were charged in federal court with four counts of willful failure to pay individual income tax. Information obtained by the court shows a long history of not paying their taxes, going back over 13 years, in which they owed the IRS over \$400,000, not including penalties and interest.

The arraignment has not been scheduled yet, but the couple faces a maximum sentence

**Got Fired for
Misconduct and
Performance Issues?
No Problem! The
IRS Will Rehire You!**

In February, 2016, Internal Revenue Commissioner John Koskinen spoke to the Senate Finance Committee and assured lawmakers that the problem of rehiring employees behind on their taxes, had past conduct or performance problems would be addressed.

But despite these promises, auditors found that the IRS rehired 200 former employees that were terminated for issues ranging from falsifying employment forms, unauthorized use of taxpayer accounts, misuse of email or property, workplace disruption, and violations of the Internal Revenue Code. Four of the rehired employees cheated on their own taxes and another four were found to have improperly accessing taxpayer records. In addition, one employee had several misdemeanors for theft and a felony for possession of a forgery device.

The Treasury Inspector General for Tax Administration has recommended to the IRS Human Capital Officer to increase the amount of hiring officials and give them increased access to job candidates' past performance records and require that the basis for rehiring them be clearly documented.

Fraudulent Tax Return Scheme Involves Hiring Postal Carriers

Anthony Gosha, aka Boo Boo, of Phoenix City, Alabama, was arrested by federal agents in July 2017 on charges of filing fraudulent tax returns, conspiring to commit mail fraud, wire fraud and aggravated identity theft.

The indictment alleges that Gosha stole over 7,000 ID's and used those to file phony tax returns with refunds totaling over \$19 million.

Some of the ID's were stolen from an Alabama state agency, and Gosha also used Electronic Filing Identification Numbers in the name of a fake tax prep business in which they used to file the returns.

On those returns, they instructed the IRS to either issue prepaid debit cards or U.S. Treasury checks. Gosha recruited several postal carriers to provide addresses on their mail routes to which the refund checks could be sent. The checks were then cashed at various check cashing businesses in Alabama and Georgia.

If convicted on all charges, Gosha faces up to a maximum of 30 years in prison plus a minimum of 2 years for each count of identity theft, supervised release, restitution, forfeiture and monetary penalties.

Thank you!

This month's thank you goes to Mr. M. Robaina
for referring his nephew-- Mr. L. Rodriguez

Thanks to YOU, the word is spreading.

Thanks to my clients and friends who graciously
referred me to their friends, clients and relatives last month!

I enjoy building my business based on the
positive comments and referrals from people just like you.

I just couldn't do it without you!

Happy Hour is Over for TGI Friday's Business Manager

Lerma Aquino, the business manager of TGI Friday's on Guam, was indicted for allegedly under-reporting employee's tips and service charges and cheating the IRS of money owed to them. It's alleged that Aquino avoided paying hundreds of thousands of dollars in employment taxes.

Some of the examples in the indictment include: In the fourth quarter of 2010, Aquino reported that her employees received approximately \$30,800 in tips when they actually received over \$167,000 in tips and service charges. For the first quarter of 2011, the amount of reported tips received was \$33,600 instead of the actual amount of \$216,600. And again in the second quarter of 2011, the correct amount of tips was \$157,000 but reported as only \$34,300. In total, the underreporting caused a loss to the United States over \$225,000.

Aquino allegedly directed her employees to report a flat \$1-\$2 an hour as tip income instead of the actual amount early. She also either modified or refused to accept truthful tip reports.

Are You My Next Client of the Month?

Every month I choose a very special *Client of the Month*. It's my way of acknowledging good friends and saying "thanks!" to those who support me and my business with referrals, word of mouth and repeat business.

This month's **Client of the Month is Ms. P. Torres. When Ms. Torres came to the office late last fall and her bank accounts were frozen, returns were unfiled and both the IRS and NYS Tax Department were after her. Basically life was not good. After engaging our office, we were able to get Ms. Torres up-to-date with her returns and work out releases of the bank account. Finally a payment plan was negotiated whereby she paid the IRS \$57.00 per month to satisfy her debt!**

You might be my next *Client of the Month* too! Watch for your name here in an upcoming month.

Fun Taxpayer Facts

***What Taxpayers Would Rather Be Doing Than Their Taxes:**

77% — Laundry

47% — Cook Thanksgiving dinner for their in-laws

43% — Change dirty diapers

35% — Talk to their kids about sex

32% — Fold 100 fitted sheets

23% — Miss a connecting flight

13% — Spend the night in jail

8% — Break their arm

***What taxpayers would do for Never Having to do Taxes Again:**

27% — Get an "IRS" Tattoo

16% — Move abroad

11% — Clean Chipotle toilets for three years

10% — Stop talking for 6 months

6% — Name first-born child "Taxes"

*Source: Deseret News

Tax Preparer Sentenced to 4 Years in Prison

Doris Kelly, a tax return preparer from Gulfport, MS was sentenced to prison for obstructing the Internal Revenue laws and preparing false tax returns. Kelly would instruct clients who owed money to the IRS to make the checks payable to her rather than the IRS. She would keep the money for herself which she used to gamble at casinos. Although she would provide copies of the returns to her clients, she did not file the return with the IRS. While earning hundreds of thousands of dollars, the loss to the IRS was more than \$500,000, which she has to pay back in restitution.

Thank you for the Kind Words...

The way he handl(ed) the situation was very professional. Working with Daniel Silvershein was refreshing, he was thorough, always returned my calls in a timely manner, and always on time for every appointment. I appreciate working with people that stand in integrity.

Ms. N. Paul, Brooklyn, NY

I'd Like to Hear From You!

If you have an IRS issue, or just want to refer a friend, relative or client, we'd love to hear from you. We can provide a no-obligation confidential consultation to help you solve your IRS problems.

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Enter Our Trivia Contest for a Chance to Win a \$500 Transferrable Gift Certificate!

Take the Trivia Challenge to win!

Each month, I'll give you a new trivia question. The first **THREE** people who call my office with the correct answer win a free \$500 reduction on any IRS service I provide. Your prize is also transferrable, so use it for yourself, or give it to a family member or friend. Take your best guess and call me at **1—888-382-7880**

This month's question is:

Which country is reputed to have the world's oldest flag design?

- | | |
|-----------|------------|
| a) France | c) India |
| b) China | d) Denmark |

Call today at 1-888-382-7880

Your IRS Questions Answered Here...

Question: *I owe a lot in back taxes. I'm constantly getting threatening letters from the IRS. This has become a big problem that I have no idea how to solve. Can you help me?*

Answer: For what it's worth, take some comfort in knowing that you are not alone. There are millions of Americans in similar situations, dealing with debt hanging over their heads and concerned about how it will affect their future.

The good news: You have many options. To fully understand and take advantage of your options, we urge you to see a qualified tax resolution professional. He or she will take a close look at your previous returns, looking for mistakes that may have resulted in an inflated tax debt amount. This process alone can substantially lower your IRS debt.

Once you and your qualified tax professional have analyzed your previous returns, the next step is to negotiate a resolution with the IRS. You will most likely be looking at one of two options – the Offer in Compromise or the Installment Agreement.

The Offer in Compromise was created for people who owe a substantial amount to the IRS but who, for whatever reason, are unable to pay their tax debt off, even over time. The Offer in Compromise allows taxpayers to negotiate a settlement amount that will take care of the entire tax debt once and for all. This settlement agreement can lower the tax debt by a significant amount. If you do not qualify for the Offer in Compromise – and to do so you must be able to prove eligibility – then you may consider the Installment Agreement, which allows you to pay off your debt by making manageable monthly payments.

We are IRS Problem Solvers. For a FREE, no-risk consultation, please call our office at 1-888-382-7880