

AL MALONE'S *Tax Resolution Letter*

"Read About Taxpayers with IRS Problems & Find Out How to Solve Them"



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IRS Nabs Billionaire in Biggest Tax Evasion Case in US History

Tech mogul Robert Brockman has been charged with tax evasion totaling over two billion dollars, the largest case of its kind in the United States.

Brockman, the CEO of Reynolds and Reynolds, a company that makes management software for car dealerships, is also accused of money laundering, wire fraud and other crimes over a 20-year period. His illegal schemes included offshore entities in Bermuda and Nevis, and secret bank accounts in Bermuda and Switzerland. Among items he purchased with unreported taxable income were several homes and a luxury yacht for 29 million dollars named Turmoil.

To avoid detection, Brockman created an encrypted email system to communicate with employees and used code names such as 'bonefish' and 'snapper' and 'the house' for the IRS. He once asked a money manager to attend a 'money laundering conference' under an assumed identity, and had the same manager destroy documents using shredders and hammers.

He faces a lengthy prison sentence and millions of dollars in fines.

Question:

When does a person decide to become an auditor?

Answer:

When he realizes he doesn't have the charisma to succeed as an undertaker.

Tax Preparer Fails to Prepare Own Taxes

Willette Holland, a tax preparer in Virginia, has been charged with tax evasion and failure to file her personal individual tax returns.

Holland failed to file returns from 2010 to 2013. After being contacted by the IRS she filed returns for those years, but understated her income, gross receipts, and net profit. In 2013 and 2014 she deposited income into a bank account in the name of a nominee and did not file tax returns at all for 2015 and 2016.

She faces up to five years in prison for each count of tax evasion, restitution, and penalties.

Paving the Road to Prison Via Tax Fraud

Gary Peterson, owner of Peterson Sealcoating and Paving in Illinois, pleaded guilty to tax evasion for depositing business checks into joint bank accounts with family members, and in another family member's account that he controlled. He also cashed company checks and excluded the funds from his tax returns by concealing the income from his accountant.

For 2016 Peterson reported income of \$75,028 with a tax due of \$10,919. In reality his taxable income was \$1,174,261 and the tax due was \$402,431.

Peterson admitted that he under reported his income during 2012-2015 that would have resulted in additional tax due of \$33,216 in 2012, \$82,388 in 2013, \$146,853 in 2014 and \$356,230 in 2015.

He faces a maximum sentence of five years in prison and a fine of up to \$250,000, plus restitution and penalties.

Two-Bit Developer Steals 10 Million Dollars from Microsoft

A former Microsoft software engineer, Volodymyr Kvashuk, has been sentenced to nine years in prison for stealing digital gift cards from the tech giant valued at more than 10 million dollars.

Kvashuk was able to mask the digital evidence by using a bitcoin mixing service before the funds were deposited into his accounts. He stole \$12,000 in value using his own account access before switching to email accounts belonging to other Microsoft employees. This cast suspicion on several others, with Kvashuk claiming innocence and incriminating co-workers before a jury found him guilty of all counts.

In a seven-month period, 2.8 million in bitcoin was transferred to his bank and investment accounts, and on his tax return he claimed the bitcoin was a gift from a relative. Kvashuk used a portion of the stolen funds to purchase a lakefront home and a \$160,000 Tesla.

He was ordered to pay \$8,344,586 in restitution and may be deported to his native Ukraine after serving the prison term.

Thank you!

This month I would like to thank Alex Rosales for his referrals.

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!

Ticket to a VIP Seat in Jail for Financial Advisor Who Stole Millions from Pro Athletes

A financial advisor in California is going to jail for 37 months for stealing more than 30 million dollars from his pro athlete clients and filing false tax returns. Ash Narayan used the stolen funds to invest in The Ticket Reserve, a ticket selling company that was never profitable.

From 2009 to 2016, Narayan advised his clients to invest in The Ticket Reserve, but failed to disclose to them that he was on the company's board of directors, or that it was a risky investment and an unprofitable business. At other times he instructed employees to forge his clients' signatures on wire transfers without the clients' consent.

Some of the athletes Narayan stole funds from include San Francisco Giants pitcher Jake Peavy, Denver Broncos quarterback Mark Sanchez and retired Houston Astros pitcher Roy Oswalt.

In 2012 alone Narayan reported income of \$543,072 when he should have reported \$1,138,072. In addition to the prison sentence, Narayan was ordered to pay \$18,811,231 in restitution.

Are You My Next Client of the Month? of

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.

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

Cupid for Hire Says I Do to Immigration Fraud

Ashley Yen Nguyen pleaded guilty to tax fraud, mail fraud and immigration fraud for her role in arranging 40 sham marriages between US citizens and Vietnamese immigrants.

Nguyen charged foreigners up to \$70,000 for the arranged marriages, provided a fake wedding album and coached the participants so they could pass immigration interviews and obtain legal permanent resident status. US citizens participating in the marriages were paid for their involvement.

Nguyen fabricated paperwork for immigration that included tax, utility and employment information, ascertaining that the couples lived together when in reality they never did.

Funds from the scheme were used to purchase multiple homes, some of which were used to stage fake living arrangements between the marriage participants.

Nguyen faces up to 20 years in prison and a maximum fine of \$250,000.

Did You Know?

In 1982 Italian actress Sophia Loren served 17 days in jail for tax evasion stemming from her 1974 taxes. She claimed the error was an oversight by her late accountant. In 2013 the Supreme Court of Rome ruled the calculations were correct and she was exonerated

Inspirational Quotes From Unusual Sources...

“The problem is not the problem. The problem is your attitude about the problem.”

- Captain Jack Sparrow

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.

maloneattorney.com
817-953-3112

Enter Our Trivia Contest for a Chance to Win a \$250 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 \$250 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 817-953-3112

This month's question is...

Per the Guinness Book of World Records, how tall is the world's tallest snowman?

- | | |
|------------|------------|
| a) 33 feet | c) 24 feet |
| b) 15 feet | d) 51 feet |

Call today at 817-953-3112

Question: *I do not have the funds to pay what I owe for my 2019 income tax return. I also was late in filing the return. Not only is the IRS demanding the tax I owe, but they have slapped on these huge amounts for penalties and interest. I had extenuating circumstances that caused all of this. This isn't fair...what can I do?*

Answer: We can request the removal (abatement) of penalties 2 ways: 1) “First Time” Penalty Abatement and 2) a Reasonable Cause Argument. The IRS writes off billions of dollars in penalties each and every year, but you must know how to do it correctly. A First Time Penalty Abatement (FTP) can be requested if you have a “clean” compliance record, meaning you have not incurred a Failure to File or Failure to Pay penalty for the 3 years preceding the year you are requesting relief for. FTP is generally granted in most cases, regardless of what the underlying reason is, if you are eligible.

If you do not qualify under FTP, there are nine (9) “Reasonable Cause” arguments to get your penalties removed. Your Tax Resolution Specialist will guide through what documentation is needed to submit a formal legal request in writing. For instance, let's say you were going through a divorce and you ex-spouse withheld records from you needed to file a complete and accurate income tax return and you filed your return late because of this. You could request abatement of these penalties under one of the “reasonable cause” arguments.

We at **Law offices of Al Malone** are experts in IRS tax problem resolution and help taxpayers with their IRS Problems every day. **There is a solution to EVERY problem.** Generally, you'll never have to meet or speak with the IRS once you bring us into the picture. Call us today! **Call us today at 817-953-3112.**