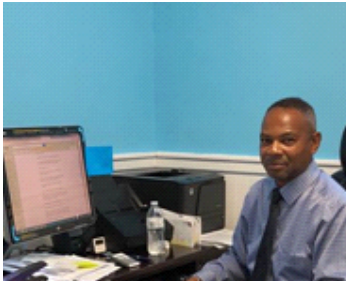


Bernell C. Ward

Tax Resolution Times

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



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"An income-tax form is like a laundry list - either way you lose your shirt."

source: jokes4us.com

Stormy Outlook for Attorney Michael Avenatti

Michael Avenatti became a household name as the attorney representing former adult film star Stormy Daniels in her case against President Donald Trump. But Avenatti's most recent notoriety is strictly of his own doing. During a California Bar Association disciplinary hearing over allegations that he scammed a client out of \$840,000, IRS agents arrested Avenatti on charges that he violated bail by committing a series of state and federal crimes while awaiting trial in New York.

IRS agents arrested Avenatti after it was discovered that he arranged to have his ex-wife purchase a \$50,000 Mercedes in her name that was used by Mr. Avenatti and his personal driver. Documents on the arrest stated, between June 2019 and September 2019, Avenatti 'flipped' cashier's checks on eight occasions to himself in order to limit the amount of funds available in his U.S. Bank account, limiting his creditors' ability to levy his accounts and recover the debts he owed to his creditors.

The New York trial is based on charges that Avenatti tried to extort more than 25 million dollars from Nike, but a bigger trial looms on his horizon. Avenatti is expected in court in Los Angeles in May on a 36-count indictment that includes allegations that he defrauded clients of millions of dollars, committed bank fraud and conveniently forgot to pay the IRS.

Following his arrest, a judge refused to grant Avenatti bail, citing a danger to the community at large. Shortly thereafter he was flown to New York for the beginning of the Nike extortion trial.

Down for the Count

Rocky Tingler, owner of McWilliams Building & Construction in West Virginia, pleaded guilty to understating the gross sales on his 2015 tax return by more than \$988,000. He also admitted that in the third quarter of 2014 he collected \$790 in federal income tax from his employees when the amount should have been \$25,706.

Tingler faces up to five years in prison and a fine of up to \$250,000 for the failure to pay charge, and up to three years in prison and another fine of up to \$250,000 for the false statement charge.

Troupe of Frauds

Aaron Troupe, 30, who was in the business of filing false tax returns using stolen identities, was sentenced to five years and one month in federal prison for theft of government property and aggravated identity theft. Troupe also had debit cards in his name that had been loaded with illegally obtained federal income tax refunds. He was ordered to pay \$449,529.97 to the IRS.

From 2012 to 2018 Troupe, a member of the “Manche Boy Mafia” participated in identity refund fraud and credit card fraud.

Troupe’s days of crime came to an end when a property cleaning service found firearms, a laptop and notebooks in an abandoned property they were cleaning. They turned their findings over to the Tampa police, who were able to track Troupe through a variety of identifying markers, one being his fingerprints.

For tax years 2011 to 2013, Troupe filed numerous fraudulent tax returns claiming refunds totaling \$1,295,583. The IRS did not pay the total amount claimed, but still paid out \$449,529.

They Knew the Drill But Cheated the IRS (and got caught) Anyway

Dentists Mike Hsieh and Christine Chen, owners of Comfort Family Dentistry in Washington state, have pleaded guilty to filing a false tax return. Between 2007 and 2014 Hsieh and Chen kept two sets of financial statements for the business. One set of books showed actual expenses while another showed inflated expenses. They gave the fake statements to their accountant for tax preparation. The pair also had a bank account their accountant was not aware of and deposited patient fees into this account and did not report it as income. In addition, they didn’t report cash they took from the dental practice to their accountant or on their taxes.

For tax year 2013 Hsieh reported a taxable income of \$232,753 when in reality he should have paid taxes on \$348,663. For the same year Chen reported income of \$319,131 but her actual income was \$425,679. For tax years between 2007 and 2014 both Hsieh and Chen admit failing to pay about \$231,000 in taxes.

They have agreed to make restitution of more than \$231,000 each and pay any additional tax, penalties and interest, which their attorneys believe will be in the neighborhood of \$300,000.

Attorneys argued for no jail time, citing the pair had lost their relationship with their bank, and their dental practice was dropped as a preferred provider by a major insurance carrier. The judge handed down a sentence of seven days in prison and 400 hours of community service.

Thank you!

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!

Please don’t forget to leave a review on Google to help us build a better business.



Bad Sport Didn't Play by the Rules

Peggy Ann Fulford, 60, was sentenced to ten years in prison for defrauding former NBA players Travis Best and Dennis Rodman and NFL players Ricky Williams and Lex Hilliard out of millions. Fulford befriended the athletes before getting them to let her handle all their finances – including paying their bills, making retirement investments, and filing their tax returns. In reality, she did very little of this. Instead, she siphoned millions into dozens of personal bank accounts and used the money for personal expenses including real estate, jewelry, luxury cars and airline tickets.

Fulford's clients believed she was a Harvard educated financial advisor and money manager, and had made millions on Wall Street by buying and selling hospitals or in real estate investments in the Bahamas. She charged no fee for her services, claiming she didn't need the money and wanted to protect her clients from losing their money.

Fulford's house of cards began to fall apart when Williams got a notice from the IRS in 2012 asking for more information on his 2010 tax return. Williams was unable to substantiate the \$782,983 in deductions Fulford had claimed, and was looking at a penalty from the IRS for that year alone of \$350,000.

When asked by the judge how much of Ricky Williams' NFL money Fulford got, Kristin Williams, Ricky's ex-wife, answered, "All of it."

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 Fior Garcia. Got her taxes done with us and recommended her family to do so too! Thank you so much!

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

The IRS Dirty Dozen

For the last several years, the IRS has issued a list of "Dirty Dozen" tax scams. Below are a couple recently released from 2019.

Promises of Inflated Refunds

Unethical tax return preparers promise taxpayers inflated tax refunds. Often, it's the elderly and low income taxpayers, with no obligation to file, who are targeted by these scam artists. The IRS suggests that people should be wary of preparers who promise larger refunds than competitors or larger refunds than they are used to seeing. Some taxpayers never even see these refunds. Also part of this scam is falsely filing returns claiming no wages or 'correcting' a Form W-2, Wage and Tax Statement or Form 1099 to show zero income.

Phone Scams

This continues to be a problem. The IRS warned, "Aggressive criminals pose as IRS agents in hopes of stealing money or personal information." These phone calls often involve hostile scammers ordering immediate payment and making threats against the person. The IRS will never collect money over the phone.

Did You Know?

The highest income tax bracket today is 37% but it has been much higher. The individual Income Tax Act of 1944 raised tax rates to the point where the highest bracket was 94%.



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.

Ultimate Tax Relief

Toll free (800) 245- 8257

Phone (718) 367 - 6111

Fax (718) 584 - 6654

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Enter Our Trivia Contest for a Chance to Win a \$150 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 \$150 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 (718) 367- 6111.

This month's question is....

What company introduced the first heart shaped box of chocolates for Valentine's Day

- a) Cadbury c) Nestle
- b) Russell Stover d) Godiva

Call today at 718-367-6111

Your IRS Questions Answered Here...

Question: *I received a Notice of Federal Tax Lien via certified mail for unpaid back taxes and I'm scared and don't know what to do. Can you help?*

Answer: Yes. A Notice of Federal Tax Lien (NFTL) is public record and is generally filed with the County Recorder where you reside. A federal tax lien will also negatively impact your credit report scores. It is notice to all your other creditors that the IRS has a secured interest in all your real and personal property you have now and acquire in the future.

A federal tax lien will make it very difficult, if not impossible, for you to purchase a home, vehicle and other property on credit. It may also prevent you from accessing the equity in real property you may have built up over the years. However, the IRS has several different solutions that can resolve your NFTL if you qualify. You can resolve a federal tax lien by paying it in full or if that is not an option you can find out if you qualify for a "Release of Lien", a "Lien Subordination", a "Lien Discharge" or "Lien Withdrawal". It is important to keep in mind that IRS problems didn't just happen overnight and will take some time to resolve. The good news is that generally you won't have to meet or even speak with the IRS while we're retained. It's important to consult with a tax resolution professional to see which Lien relief solutions you may be eligible for before the IRS starts enforcing aggressive collection action against you. We can help protect what you have and preserve your rights!!

We at Ultimate Tax Relief 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! (718) 367 - 6111