

# Tax Resolution Times

*“Read About Taxpayers with IRS Problems & Find Out How to Solve Them”*



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## ***Beware of Scammers on the Hunt For COVID-19 Stimulus Checks***

The IRS is urging citizens to be on high alert for scams related to the COVID-19 economic impact payments. While more than 80 million taxpayers who opted for direct deposit should have already received the payment, millions more will receive the stimulus via a check in the mail.

US Attorneys around the country expect these payments to coincide with a surge in scam calls, emails and text messages as criminals attempt to leverage the payout as an opportunity to defraud individuals. Particularly vulnerable are seniors and the disabled, who don't normally file tax returns and whose stimulus payment will be sent automatically with no further action required to receive it.

"Our office is on the lookout for scam artists who try to steal these much-needed economic impact payments from the pockets of our citizens," said U.S. Attorney Michael Bailey. "Educate yourself about common scams, be vigilant in protecting your information, and report any attempted fraud."

The IRS will not contact anyone to request additional information via email, text, call, or in-person to issue an economic impact payment. Any contact asking for information regarding an economic impact payment should be considered suspicious. If contacted, the IRS recommends people hang up the phone, ignore the email, or shut the door, and report the scam to the IRS or the National Center for Disaster Fraud hotline at 1-866-720-5721 or e-mail at [disaster@leo.gov](mailto:disaster@leo.gov).

**"I am proud to be paying taxes in the United States. The only thing is, I could be just as proud for half the money."**

Arthur Godfrey

## **Nothing Smart About This Tax Offender**

Two tax preparers in Texas, Smart Ajayi and JoAnn Villarreal, were charged with filing fraudulent tax returns and have been permanently barred from operating a tax return preparation business and preparing tax returns for others.

The complaint against the two, Ajayi and Villarreal, states that they repeatedly understated their customers' tax liabilities by making up non-cash charitable deductions and creating false Schedules C with inflated or fraudulent business losses. In one instance Ajayi falsely reported that a customer with an adjusted gross income of \$34,027 made \$19,759 in non-cash charitable contributions. During the years 2016 to 2018 Ajayi and Villarreal filed hundreds of tax returns, causing the US to lose substantial tax revenue.

## A Prime Example of What Not to Do

Igor Fleyshmakher, co-owner of Prime Aid Pharmacy in New York and New Jersey, pleaded guilty to tax evasion and violation of the federal anti-kickback statute in a scheme that included bribing doctors and their staff to direct prescriptions to his pharmacies. Bribes included designer bags, expensive meals, and payments by cash, check and wire transfers.

Between 2012 and 2014 Fleyshmakher diverted 33.9 million dollars into a bank account concealed from pharmacy tax preparers and did not report the funds on his personal tax return. This resulted in a 5.8-million-dollar tax loss to the IRS.

“Bribing doctors to line your own pockets and using secret accounts to evade taxes are both very serious offenses, motivated by one thing: greed,” said John Tafur, Special Agent in Charge.

The conspiracy and tax evasion charges each carry a maximum penalty of five years in prison and a fine of up to \$250,000.

## Warranty Fraud Got this Texan a Warrant for his Arrest

Vaughn Simon, from Pearland, Texas, was charged with filing a false tax return, tax evasion, and mail and wire fraud for a scheme involving manufacturers' warranties. Simon obtained serial numbers for products sold by Cisco, Neat, iRobot and APC and then submitted false warranty claims. Simon claimed the products had defects he knew could not be solved and the respective companies sent him replacement products, for items he never purchased in the first place. Simon then sold the products on eBay and Amazon.

Simon attempted to obtain more than five million dollars worth of products and was successful in getting more than three million dollars' worth of products from Cisco alone.

Simon filed false tax returns for 2014 and 2016, where he underreported his income by \$95,000 and \$212,000, respectively. He evaded taxes altogether in 2015 by failing to file a return and storing the proceeds of his fraud in bank accounts and PayPal accounts in the names of his co-conspirators. He also hid cash at home, paid his living expenses with cash, used false domain names, prepaid gift cards and false identities.

He faces a maximum sentence of 821 years in prison, five years of supervised release and a fine of \$8,250,000.

## 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.



## ***Worldly Tax Evader Gets to See the World From a Jail Cell***

Florida businessman Dusko Bruer pleaded guilty to tax evasion and failure to file a Report of Foreign Bank or Financial Account. Bruer owned a company that bought U.S. made agricultural machinery and parts and sold them throughout the world. From 2003 Bruer did not receive a salary, but he used millions of dollars from the company's bank accounts to pay his personal expenses, including the purchase of a yacht for \$1,350,000, a waterfront home in Florida for \$1,650,000, a home for an employee and real property in Serbia.

From 2007 to 2011 Bruer transferred 5.8 million dollars of the company's profits to foreign financial accounts in Croatia, Germany, Serbia and Switzerland. Between 2007 and 2014 Bruer failed to report more than 7.7 million dollars in income and did not pay taxes of more than 2.7 million dollars. Bruer's company never filed a corporate tax return and never paid any taxes. The company had a number of employees but never filed employment tax returns, and did not withhold and pay over payroll taxes.

From 1999 to 2014 Bruer didn't file a personal tax return and didn't pay any taxes on his income. In 2015 Credit Suisse closed his account in Switzerland, which at one point had a value of \$6,177,586, and advised Bruer to enter the IRS's Offshore Voluntary Disclosure Program, by which taxpayers could avoid criminal prosecution by making a voluntary disclosure to the IRS. Instead, Bruer filed a 'quiet' disclosure that involved filing several delinquent tax returns.

Bruer faces a maximum sentence of five years in prison for each charge, three years supervised release, restitution and monetary penalties.

## ***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 Shev W. Thank you for recommending us and being a loyal client.

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

## ***Dentist Has a Brush with the Law and Loses***

A federal jury has convicted Frederick Kriemelmeyer, a Wisconsin dentist, on four counts of tax evasion. In 2007 Kriemelmeyer was ordered to pay the IRS \$135,337 for unpaid income taxes. The dentist ignored the order and by 2012 the debt to the IRS was more than \$450,000 including taxes, interest and penalties.

Kriemelmeyer took numerous steps to avoid paying the taxes owed. From 2013 to 2015 he failed to file tax returns reporting the income from his dental practice, directed his patients to pay him in cash or by check with blank payee lines, and paid his business and personal expenses with third party checks and cash.

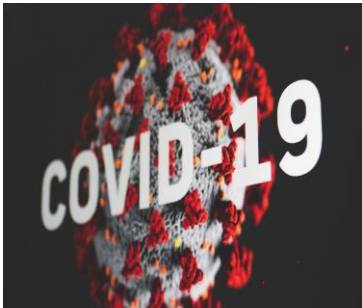
Court orders showed that Kriemelmeyer had been in trouble with the IRS numerous times, with tax claims filed against him going back to the 1990s.

Kriemelmeyer faces a maximum sentence of five years in prison for each count of tax evasion, along with monetary penalties and restitution.

## Did You Know?

Dr. Walton Lillehei, known as the father of open-heart surgery, was convicted of five counts of tax evasion in 1973. Among other imaginative deductions he claimed a \$100 payment to a prostitute as a charitable contribution.

**Don't let COVID-19 and your tax problem take over your life! Let us handle your tax problem!  
Contact us today!**



## 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.

Contact us at:  
P: 718-367-6111  
F: 718-584-6654

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## 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 718-367-6111

This month's question is....

**Mothers Day accounts for what percentage of yearly flower sales?**

- a) 11%                      c) 42%  
b) 60%                      d) 24%

*Call today (718)-367-6111*

## Your IRS Questions Answered Here...

**Question:** *I have a huge tax amount owed to the IRS and they are harassing me and I need help. I got a quote from a national firm which seems extraordinarily low. Why should I go with you?*

**Answer:** If someone quoted you a bargain basement fee, think about this: do you think an experienced tax resolution CPA, EA or attorney worth their "salt" would work for peanuts? - Especially given the fact that IRS Representation is a highly valued skill set. You usually get what you pay for in this world we live in today. This is your financial life and the stakes are very high. If you needed heart surgery, would you shop around for the least expensive surgeon or would you get the very best you can find? The same holds true for dealing with the Internal Revenue Service. Having IRS problems can ruin all aspects of your life, your marriage, relationships with your children and family members, your employment, ability to buy a house, a car, money for retirement or even have a bank account. You want the best possible person for the job, not the cheapest.

Your IRS debt doubles every 6-8 years due to the daily compounding effect of interest and penalties and the IRS has at least 10 years to collect from you to so hand this off to the lowest bidder in town is probably not a wise decision. You'll have peace of mind and sleep better at night knowing that we're working hard on your case to get you the lowest possible settlement, allowed by law, with the IRS!

We at Ultimate Tax Relief are experts in tax problem resolution and help taxpayers like you with their IRS Problems every day. Call us today at (718) 367-6111 for your free, no obligation consultation.