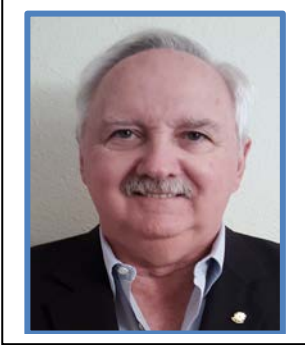


Most Taxing Times

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



Check Cashing Store Owner Sees Dead People and Cashes Their Tax Refund Checks

Owner, Junior Jean Baptiste, of a North Miami check cashing store named Surveillance Masters, was convicted of numerous crimes including theft of government funds, or plainly stated he cashed in other peoples’ tax refund checks.

Evidence presented at court showed that from 2009 to 2011, Baptiste knowingly cashed over \$11 million in fraudulent tax return checks that had been issued to dead people, disabled people and other individuals that would not typically file tax returns. His “fee” for cashing these checks was half the amount of the checks. Baptiste’s trial did not disclose the persons providing the checks, which typically ranged from \$1,000 to \$9,000 each.

During his arrest, investigators found more than 900 false driver’s licenses, work permits and green cards.

Trial evidence showed that Baptiste used the check-cashing fees to buy a cargo ship, multiple vehicles and the rights to an album of a prominent hip-hop artist.

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“Okay... now everyone smile and say: 'that's not deductible.'”

IRS Historical Fact

In 1952, the IRS (which was known at the time as the Bureau of Internal Revenue) had a tax collector position where the employee’s only responsibility was to read newspapers and magazines for stories that might catch people evading paying taxes.

Upon reading an article in the New York Times about a successful “boy wonder” who earned \$15 million just a few years out of college, the tax collector reported it as suspicious, and it was discovered that the millionaire did not pay his taxes. The tax collector employee also shared, “The most helpful snitches are divorced wives.”

North Carolina Man Goes to Great Lengths Not to Pay the IRS

Billy Floyd, of Monroe, NC was indicted on charges of interfering with the due administration of the internal revenue laws and filing false tax returns.

It was alleged that Floyd filed amended tax returns for the years 2000-2002 showing his tax liability reduced to zero. In 2010 he again filed amended returns but included the tax year 2003, all reduced to zero. The returns were not accepted by the IRS and Floyd was required to pay his tax liabilities. Floyd submitted fake "Surety Bonds" to the IRS in the amount of \$500,000. Although Surety Bonds are real, they are not accepted as a legal way to pay taxes.

Floyd then filed a civil suit against the IRS claiming that income tax is illegal. The case was dismissed by the court.

During that time, the IRS seized Floyd's property. At the public sale of the property, Floyd told potential buyers that the sale was illegal and they would not receive clear title. He also threatened to sue anyone who purchased the property. The property was not sold at the auction, so in another attempt to stop another pending sale, Floyd filed bogus liens on the property.

Floyd's trial is pending, but he faces a statutory maximum of 3 years in prison for each of the 6 counts of the indictment plus monetary penalties.

Connecticut Man Faces Prison Term for Hiding Income in Panama

Saul Hyatt, from Weston CT., pleaded guilty to one count of concealing over \$1.5 million in income by using an undeclared bank account in Panama.

Hyatt registered a Panamanian Corporation, The Centennial Group, which bought and sold duty-free alcohol and tobacco products. Both products were shipped to warehouses in the US and the profits, totaling \$1,627,832 were wired to the account in Panama. Hyatt used some of the money to buy a Mercedes Benz SL 550R and pay for \$19,000 in interior design and goods.

Federal law requires individuals to report any financial interest and account information and list the country the account is located in. All income earned from foreign financial accounts that have a value of more than \$10,000 must file with the Department of Treasury a Report of Foreign Bank and Financial Accounts (FBAR). Sentencing is scheduled for Jan. 6, 2017, where Hyatt faces a statutory maximum sentence of 5 years in prison. He has agreed to file true and accurate tax returns to pay the IRS all taxes and penalties owed. He will also pay a penalty for failure to disclose his foreign accounts in the amount of \$854,465.

FLA. WOMAN GETS THREE YEARS FOR TAX EVASION

A Florida woman was sentenced to three years in federal prison for tax evasion and failure to file a tax return.

Nova A. Montgomery, of Tarpon Springs, Fla., was also ordered to serve a three-year term of supervision following her incarceration, pay a \$10,000 fine, and pay \$228,308 in restitution to the IRS.

According to court records, Montgomery was self-employed as a distributor for a multi-level marketing company that sold nutritional and other products. Between 2002 and 2012, she received commissions and other income exceeding \$2.7 million. Montgomery set up a complex corporate structure that made it appear that virtually none of the income she received went to her personally.

Owner of First Touch Payment Solutions Co. Has the Last Touch of His Worker's Employment Taxes

A resident of Germantown, TN, Larry Thornton was sentenced to one year in prison and ordered to pay more than \$10 million in restitution for failing to pay more than \$8 million in employment taxes.

Thornton owned 2 companies, First Touch Payment Solutions, a credit card processing company and Software Earnings, Inc. (SEI) which produced and installed check processing.

Beginning in 2007, Thornton stopped paying the taxes withheld from his employees paychecks at SEI and failed to file Forms 941, the Employer's Quarterly Federal Tax Returns, and did the same in 2010 to his First Touch employee's taxes. During that time, he collected more than \$6.8 million and also did not pay the employer's matching share of FICA taxes. He also failed to file personal and corporate tax returns.

Thornton spent the money instead on personal expenses, including house and condominium payments, vehicle, yacht and motorcycle loan payments, personal travel, and start-up funding for his wife's beauty boutique.

Deputy District Attorney General Caroline Ciralo said, "Payment of employment taxes is not optional. The sentence that Mr. Thornton received today reflects not just the harm that his actions caused to the U.S. Treasury but also the financial risks he place on his employees by deliberately not filing their W-2 forms with Social Security."

The Largest Tax Debt in History

Although this took place in 2007, it remains to date the largest amount owed in back taxes.

Telecommunications mogul Walter Anderson was sentenced in 2007 for failing to pay a whopping \$200 million in taxes to the IRS. Although in 1996 he earned over \$126 million, his federal return showed only \$67,939 in income and he paid \$495 in taxes.

He avoided paying taxes on earnings of \$365 million by using shell companies, aliases, offshore tax havens and secret drop boxes. One of the shell companies was the Smaller World Foundation, where Anderson hid hundreds of millions of dollars. He claimed that he planned to use the Foundation's money to promote world peace, family planning and space exploration.

During his sentencing hearing, friends, relatives and business associates testified that "he was a caring man who just made the mistake of trying to avoid paying his fair share of taxes, and wasn't motivated by personal greed or the pursuit of luxury."

Anderson was sentenced to nine years in federal prison, but a federal judge ruled that because prosecutors botched the plea deal, Anderson did not have to pay back the \$200 million to the IRS.

ABOUT THE OFFER IN COMPROMISE

Did you know it's possible to settle your debt with the IRS for less than the IRS says you owe?

If you owe a substantial amount in back taxes to the government, you may be eligible to participate on the Offer in Compromise program. This program allows you to make an offer to the IRS that could settle your tax debt for significantly less than you owe.

Contact us now for a FREE Consultation (844) XPEDITE

Ohio Man Sentenced for Four Counts of Tax Evasion

A Lakewood, OH resident, Thomas Klocker was sentenced to six months in prison and ordered to pay nearly \$1.8 million in restitution to the IRS for claiming false write-offs and not declaring income. Klocker diverted funds from his metal sales business for his personal use to purchase a waterfront residence, maintain his luxury yacht and take vacations. He also misrepresented personal expenses by falsely reporting them as business expenses.

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ASTPS American Society of Tax Problem Solvers
A NON-PROFIT PROFESSIONAL ASSOCIATION



National Association
of Tax Professionals

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 acquired 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 Expedited Tax Relief, P.C. are experts in tax resolution and help taxpayers with their IRS Problems every day.

Call us today at 844-XPEDITE (973-3483)