



IRS Times & Inquirer

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Arizona Woman Evaded \$3 Million, Gets 78 Months

A Gilbert, Arizona, woman was sentenced to 78 months in prison for evading more than \$3 million in taxes on income earned from real estate commissions and land sales.

Sue J. Taylor, 67, was found guilty by a federal jury on April 28, 2011, of four felony counts of tax evasion and four misdemeanor counts of willful failure to file tax returns. Taylor was taken into custody at the conclusion of the hearing and will begin serving her sentence.

Evidence at trial showed that Taylor began filing false income tax returns in 1997, and later simply failed to file any income tax returns or report any income earned through her real estate brokerage, National Landbank. She also affirmatively concealed information from the IRS by hiding her income and assets in numerous fictitious business entities; lying to IRS employees; and structuring her financial transactions to avoid bank reporting requirements.

Taylor previously served more than two years in prison for contempt of court in a separate civil case for refusing to produce records to the IRS.

"The defendant went to great lengths to avoid paying more than \$3 million in taxes, including lying to IRS employees and attending offshore seminars to conceal assets," said Acting U.S. Attorney Ann Birmingham Scheel. "At her sentencing, she was promptly taken into custody and now will face the consequences of her actions."

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"I think I see the problem. You had your taxes prepared by a taxidermist."

Connecticut Businessman Gets Probation

A businessman in Naugatuck, Connecticut, was sentenced to two years of probation for underpaying his federal income taxes.

According to court records, Augustine C. Ofili, 54, was the owner of Augustine Insurance Agency in Bridgeport. From 2004 to 2007, Ofili underreported on his federal income tax returns the insurance commission income he received from his insurance business.

Ofili also failed to report capital gains from the sale of real estate in 2006 and 2007, and wrongly claimed real estate losses in 2007. As a result, for the 2004 through 2007 tax years, Ofili underpaid his taxes in the total amount of \$47,964.

Ofili is required to pay back taxes, as well as applicable penalties and interest.

Couple Sent to Prison for Obstruction, False Income Tax Returns

A Colorado Springs, Colorado, couple were sentenced to criminal obstruction and filing false income tax returns.

Gary Neuger, 56, was sentenced to serve 24 months in federal prison, followed by one year of supervised release, along with paying \$393,791.20 in restitution to the IRS. Beth Neuger, 54 and Gary's wife, was sentenced to serve three years of probation, with the first 10 months in home detention. She was also ordered to pay \$31,563.01 in restitution to the IRS.

According to court records, Gary Neuger and Beth Neuger stopped paying federal income tax in 1997. When the IRS attempted to collect the outstanding taxes, Gary Neuger sent threatening letters to the IRS and filed several lawsuits against revenue agents. Then, in February 2005, Beth Neuger filed a series of income tax returns stating she made zero income even though she worked as a nurse at a hospital at the time.

In April 2005, Gary Neuger filed a series of income tax returns stating he made zero income and owed zero in income taxes while working as a psychologist in a private practice. According to the plea agreement, after being contacted by the IRS in 2009, both Gary Neuger and Beth Neuger admitted to filing false income tax returns.

MICHIGAN LAWYER RECEIVES 24 MONTHS FOR DIVERTING MONEY FROM LAW FIRM WITHOUT PAYING INCOME TAXES

A lawyer in Port Huron, Michigan, was sentenced to 24 months in prison for tax evasion.

David Douglas Black, 49, owner of Black, Black and Black law firm also was sentenced to two years of supervised release and ordered to pay a special assessment of \$100.

According to court records, during the 2004 tax year, Black diverted income from his law firm by using checks made out to him, his wife or other businesses to pay for his personal expenses.

Black also took business cash payments and diverted it for his personal gain. Black failed to deliver all the records of these diversions to his accountant, which would have enabled the accountant to prepare a complete and accurate personal tax return.

On his 2004 tax return, Black claimed gross income of only \$319,866, when in reality the gross income amount was over \$1 million, causing a tax loss of over \$270,000 to the IRS.

The case was investigated by special agents of the IRS Criminal Investigation.

Are You My 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 Mr. Joe F.

Mr. Joe F. owed the IRS \$16,000 in back taxes when he sought help. After several months of negotiations, we were able to settle his debt for just \$100, that's right, \$100 only through the IRS's Offer in Compromise program. Congratulations Mr. Joe F!!!

You might be my next Client Of The Month too! Watch for your name here in an upcoming month.

"Who Else Wants To Win A \$250 Transferable Gift Certificate?"

Take my Trivia Challenge and you could win too!

This is one of my favorite sections. 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. (One per client, please.) And best yet, your certificate is transferable.

Use it yourself, or give it to a family member or special friend and help them save money. Take your best guess, then call me at 818-774-1813.

This Month's Mega Trivia Question...

What is the name of Simon Cowell's new music talent show?

- a) The X Factor
- b) Talented People
- c) The Y Factor
- d) Sing, Sing, Sing!

Call me right now with your answer! 818-774-1813



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ALABAMA WOMAN FACES THREE YEARS FOR FALSE RETURN

Shenita Nicole James, 33, of Montgomery, Alabama, pleaded guilty to preparing and filing false and fraudulent federal income tax returns. James was employed as an office manager and income tax preparer at We Finance Auto Sales in Montgomery in 2008 and 2009.

We Finance Auto Sales prepared income tax returns for individuals who could choose to use their tax refunds to purchase or make down payments for automobiles.

On or about Feb. 3, 2009, James prepared and filed an individual income tax return for an individual identified as J.W. for the calendar year 2008. James put on this fraudulent return that J.W. earned \$13,444 in household help income, that J.W. was entitled to a first-time homebuyer credit of \$7,500, and that J.W. was entitled to an earned income credit in the amount of \$4,824.

This fraudulent return generated a refund to J.W. of \$13,666. James filed this return despite the fact that she knew that J.W. did not earn that amount of household help income, was not entitled to a first-time homebuyer credit, was not entitled to said earned income credit, and was not entitled to the refund in the claimed amount.

She faces up to three years in prison and a fine of up to \$250,000.

IRS Question Corner ...

Question: I've likely waited way too long, but now that we're into 2012, I really want to get a handle on my tax debt. In fact, I want to eliminate the debt. What advice do you have for me?

Answer: The first thing you should do — and you should do this immediately — is visit a qualified tax professional. He or she will discuss with you your current tax debt and analyze your previous tax filings to determine exactly how much you owe.

Once your qualified tax professional has an understanding of your situation, he or she will recommend a course of action. And the good news is that you have several options. Two common ones, and the ones I recommend you consider, are the Offer in Compromise and the Installment Agreement.

The IRS developed the Offer in Compromise after concluding that chasing down tax debtors in an aggressive way wasn't the most efficient way to collect revenue. Instead, the IRS found that offering flexibility was actually a more effective means of collecting tax revenue. To qualify for the Offer in Compromise, you must be able to show that you cannot pay off your tax debt, even over time. If you do qualify, you can then negotiate a settlement offer that will get rid of your tax debt once and for all. Oftentimes, the settlement offer will amount to a significant discount.

Alternatively, if you do not qualify for the Offer in Compromise, you may consider the Installment Agreement. This program is for indebted taxpayers who cannot pay off their debt in one lump sum but can pay off the debt over time. Under this program, taxpayers will establish a reasonable payment plan with the IRS that will allow the debt to be paid down while not significantly hampering the taxpayer's financial life. Consider this like a car payment — a significant monthly amount but no so significant you can't live a nice life.

I solve problems such as yours every day. I'm an IRS problem solver. For a free, no-risk consultation, please call my office at 818-774-1813.

Thank You! 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.

Mr. Barry Sissleman, Esq.

I just couldn't do it without you!

MANAGER CHARGED WITH TAX FRAUD

A Dora, Alabama, woman has been charged with tax fraud for her role at a medical clinic she managed and partly owned.

Carol Twilley, 43, allegedly failed to account for and pay to the IRS the federal income taxes withheld and Federal Insurance Contributions Act taxes due to the United States on behalf of Horse Creek Family Medicine Inc. and its employees from November 2004 to January 2006.

She faces up to five years in prison on each of the six tax fraud counts.

Thanks for the Kind Words...

"Everyone was so great and helpful. My calls were returned and all questions answered immediately. Thank you for all your help". - Joe F.

I'd Like To Hear From YOU!

Whether you'd like to avoid the IRS, contact the IRS, settle with the IRS or just want to refer a friend, relative or client, I'd love to hear from you. I would be happy to provide you or that special person you refer a no-obligation confidential consultation to explain every option available to solve IRS problems.

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