



# IRS Times & Inquirer

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## N.Y. Politico Has Tax Problems

Nassau County, N.Y., Legislator Roger Corbin has been charged with filing false federal tax returns and making false statements to agents of the FBI and IRS.

According to the complaint, Corbin received 81 checks totaling approximately \$226,000 from a developer between Feb. 22, 2005, and Dec. 31, 2007. Each of the checks was made payable to "Cash" and deposited into one of Corbin's personal bank accounts. In interviews with special agents of the FBI and IRS, Corbin acknowledged receiving the checks from a developer who had been awarded construction contracts as part of a federally funded revitalization project in New Cassel. Records showed the money was used for personal expenses, though Corbin told FBI and IRS agents he gave the money to an individual who was purportedly paying workers at the developer's New Cassel construction sites.

If convicted, Corbin faces up to five years in prison on the false statement charge and up to three years in prison for each of the false tax returns filed. He also faces a fine of up to \$250,000 on each count on which he is convicted.

## Bank Executives Guilty of Evasion

Former executives of Bank of Durango in Colorado pleaded guilty to tax evasion charges.

Cheryl McMillan, 56, and Marion McMillan, 61, husband and wife residing in Kansas, submitted their plea in Denver.

The tax evasion took place when Marion McMillan was the president of the Bank of Durango, and Cheryl McMillan was the vice president and chief cashier of the Bank of Durango.

According to the stipulated facts in the plea agreements, for tax year 2003, there was \$102,731.15 in undeclared income as a result of embezzlements by Cheryl McMillan from the Bank of Durango. For tax year 2004, there was \$125,169.14 in undeclared income as a result of Cheryl McMillan's embezzlements from the Bank of Durango.

The couple face up to five years in prison and a fine of up to \$100,000.

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Beat This Trivia Question and Win a \$250 Gift Certificate



## **New Jersey Doctor Charged with Evasion**

A Trenton, N.J., doctor was indicted on charges of tax evasion for not claiming and paying taxes owed on income he gained through an alleged kickback scheme with a laboratory, a capitation agreement with a health insurer and a loan agreement with a hospital.

The two-count federal indictment charges Demetrios Perdikis, 40, of Newtown, Penn., with attempting to evade federal income taxes due on income totaling \$168,276 for tax years 2002 and 2003. The indictment alleges that Perdikis did not claim as income money he received from a Pennsylvania laboratory and through agreements with Horizon Health Insurance Company and Robert Wood Hospital.

According to the indictment, Perdikis was employed in 2002 and 2003 by Mercerville Medical Associates in Trenton and was working toward becoming a partner in the medical practice.

If convicted, Perdikis faces up to five years in prison and a fine of \$100,000.

## **Energy Drink CEO Faces Prison**

The former chief executive of a Nevada sports energy drink company has been indicted on tax evasion charges.

Xyience CEO Russell Pike, of Las Vegas, is charged with one count of tax evasion for failing to file a federal individual income tax return for 2006 and failing to pay taxes on more than \$6.9 million in income he earned in 2006. Pike is also charged with using nominees and a forward-dated stock sale agreement to conceal his true income from the IRS.

Pike founded Xyience, which manufactured, marketed and sold sports energy drinks — most notably, Xenergy — which was sold in more than 45,000 stores throughout the United States. The indictment alleges that upon the inception of Xyience in 2004, Pike received at least 12 million shares of Xyience stock. During 2006, Pike sold more than 4.4 million shares of his Xyience stock for approximately \$6.9 million.

In June 2006, Pike listed his income as \$100,000 plus on a brokerage account application. In July 2007, Pike listed his assets as \$27 million and his liabilities as \$2 million on a life-insurance application. In September and November 2006, Pike purchased a condominium in Las Vegas which was titled in the name of a nominee and made payments on a 2005 Lexus SUV that was held in the name of a nominee.

If convicted, Pike faces up to five years in prison and a fine of up to \$250,000.

## **TENN. MAN CONVICTED OF TAX EVASION**

Michael R. Aldridge, 42, of Memphis, was convicted of one count of tax evasion the tax years 1991 to 1997.

Evidence presented during the eight-day trial revealed that Aldridge owed more than \$261,000 in taxes. Evidence also showed that Aldridge signed and submitted false Forms 433-A and 433-B with two Offers in Compromise to the IRS and made false statements and submitted false documents during the negotiation of these Offers in Compromise.

In addition, Aldridge purchased vehicles in the names of family members and friends during tax years 2001, 2003 and 2004, and purchased a residence using two different nominees between 1992 and 2005.

Evidence revealed that in 2004, Aldridge liquidated the assets of his corporation, Pro Oil, for a profit of \$433,000, and through an elaborate scheme, diverted these funds for his own benefit. In an attempt to conceal the scheme, Aldridge made it appear that various relatives had loaned the corporation money.

Testimony during the trial showed that Aldridge directed his attorney to disburse the proceeds of this sale to various relatives. Most of these relatives had not made loans to the corporation and they were instructed by Aldridge to deposit \$50,000 checks into their personal bank accounts.

## 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. John C. Acevedo

Mr. Acevedo owed over \$43,000 to the IRS. TRS successfully negotiated a "partial pay" installment agreement with the IRS for \$80 per month. Mr. Acevedo will only have to pay back \$9,600 (instead of \$43,000) over the remaining Collection Expiration Statute Date, a savings of \$33,400. Congratulations Mr. Acevedo!

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...

Which actor plays Capt. James T. Kirk in the new Star Trek?

- a) Chris Pine
- b) Christian Bale
- c) Denzel Washington
- d) Brad Pitt

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



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## W.V. BUSINESSMAN GETS ONE YEAR IN PRISON

Terry Bowling, 62, of Huntington, W.V., was sentenced to one year and a day in prison. He was also ordered to pay in excess of \$386,000 in restitution to the IRS.

Bowling, the owner and operator of several businesses, pleaded guilty to a two-count information charging him with the evasion of personal income taxes and federal employment taxes.

Bowling acknowledged his taxable income from 2002 to 2006 was approximately \$368,000. However, because of his failure to file personal tax returns, he failed to pay more than \$77,000 in taxes due and owing to the IRS.

## ESCORT OWNER PLEADS GUILTY TO EVASION

A Salt Lake City, Utah, escort service operator pleaded guilty to charges of attempted income tax evasion.

The indictment alleges that Roy B. Hoskins owned and operated Companions, an escort service that maintained its principal place of business in Utah. According to the indictment, Hoskins knowingly omitted substantial income from Companions from his individual 2001 and 2002 Forms 1040.

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

## IRS Question Corner ...

**Question:** I have a lot of debt, including tax debt. How I amassed this debt isn't important right now. What is important is this: What can I do about the tax debt?

**Answer:** Unfortunately, given our economy and the stock market collapse that began in October, yours isn't an uncommon position. But the first thing you should do is remember that you have options, particularly regarding your tax debt.

It sounds to me that you might be an ideal candidate for the Offer in Compromise program. The IRS designed this program for taxpayers who, for whatever reason, are unable to pay off their debt tax, even over time. This may be a result of job loss, illness, death in the family, etc. Ultimately, the reason doesn't matter so much as your current financial position and the amount of your tax debt.

However, if you qualify for the Offer in Compromise program, you could reduce your debt significantly. The reason for this is simple: After years of chasing deadbeat taxpayers, the IRS discovered in many situations that it is actually more effective to offer a kinder, gentler approach that favors negotiation over a strong arm.

If you think you might qualify for the Offer in Compromise program, the first thing you should do is consult with a qualified tax professional. He or she will analyze your previous returns with a fine-tooth comb, ensuring that you are not obligating yourself to pay even a penny more than you owe.

Once your debt amount is established and verified, you and your qualified tax professional will meet with the IRS to discuss a settlement offer. This offer — which, as I said, can amount to a very significant savings — will settle your debt once and for all.

I handle tax problems like yours every day. That's because 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.

**Harry Patler, CPA and Aaron Zimmer, JD, CPA**

*I just couldn't do it without you!*

## SOUTH DAKOTA MAN PLEADS GUILTY TO TAX CHARGE, FACES UP TO FIVE YEARS IN PRISON

Edward Finley, 67, of Spearfish, S.D., pleaded guilty to one count of an indictment that charged him with conspiracy to defraud the United States. Finley had falsified tax returns for another person for the years 2001 to 2003. The investigation was conducted by IRS. Finley faces up to five years in prison and a fine of up to \$250,000.

### Thanks for the Kind Words...

"I was treated like a father treats a son. Without TRS, I would have owed the IRS \$100K It can't be true, but it is. TRS is like having the Special Forces on your side in a war. Your firm is beyond great. Thank you".  
- J. Acevedo

### 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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