



IRS Times & Inquirer

Tax Resolution Services, Co., Est. 1997

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Penn. Constable Gets Prison Time for Tax Charges

An elected constable in York County, Penn., will move his campaign behind bars.

Kelly L. Deardorff, 42, of York, Penn., was sentenced to 13 months in prison and ordered to pay \$124,072 in restitution for failing to file his federal income tax returns for the years 2001 to 2005.

Deardorff's income came from York County, several district justices and private attorneys for serving legal documents, executing warrants and other related activities. Deardorff admitted that he earned more than \$100,000 each year but stopped filing income tax returns in 1997 when he filed his 1996 tax return.

S.D. Men Sentenced to Prison for Evasion

Four men were sentenced in South Dakota for filing false income tax returns. They are:

1. Kurt Bowers, 47, of Pierre, was sentenced to 36 months and ordered to pay \$89,041 restitution representing his unpaid taxes from 1999. Bowers filed a federal income tax return listing his total income for 1999 as \$53,009 when he knew the correct amount was approximately \$238,373.08.
2. James Bowers, 67, of Pierre, was sentenced to 10 months and ordered to pay a \$40,000 fine. He admitted filing a federal income tax return listing his total income for 1999 as \$71,154 when he knew that the correct amount was approximately \$213,754.
3. Jon Bowers, 64, of Junction City, Ore., was sentenced to 10 months and ordered to pay a \$30,000 fine. He listed his total income for 1999 as \$33,269 when he knew that the correct amount was approximately \$133,619.
4. Kent Bowers, 45, of Pierre, was sentenced to 12 months and fined \$50,000. He filed a federal income tax return listing his total income for 1999 as \$70,502 when the correct amount was approximately \$290,102.

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"As a pastor, I've always wondered if I was filing my taxes right. It's a relief to finally find out for sure!"

Wash. Restaurateur Guilty of Tax Evasion

A Washington restaurateur pleaded guilty to tax evasion.

William Robertson, 68, formerly of Everett, Wash., owned various restaurants operating under the Hot Rod Café name. According to the indictment, in 2004 and 2005, Robertson withheld about \$36,503, from employees' pay for Social Security, Medicare and income taxes. Robertson failed to pay this money to the government for his employees' taxes. In addition, Robertson withheld approximately \$2,951 from employee checks from another restaurant, but also failed to make the payment for the Social Security, Medicare and income taxes.

Tax Shelter Promoters Charged in Oregon

Micaela Renee Dutson and her husband, Tony Dutson, were arraigned in federal court in Portland on charges that they conspired to defraud the United States of more than \$8 million and failed to file income taxes. Both pleaded not guilty to all charges, and trial is set for August 5.

The indictment alleges that the conspiracy, which began in 1997 and continued through at least October 2005, was intended to impede and obstruct the lawful functions of the IRS through deceit and dishonest means. At the heart of the conspiracy was the marketing of abusive tax-avoidance programs which were designed solely to assist people in evading assessment and collection of federal income taxes.

The Dutsons allegedly collected hundreds of thousands of dollars in fees from clients who paid them to help hide assets and avoid payment of federal income taxes. These tax avoidance programs were sold using various business entities. According to the indictment, the Dutsons typically charged between \$1,500 and \$2,500 to establish each "trust" in a package, and encouraged the purchase of multiple trusts for added security. The Dutsons also charged an annual maintenance fee of around \$250 for each "trust." The Dutsons used the money they received to pay for personal expenses, and then failed to disclose the money received to the IRS by failing to file tax returns.

During the life of the alleged conspiracy, the Dutsons helped clients hide millions of dollars in income from the IRS. These clients have since been assessed over \$8 million in taxes, interest and penalties.

OHIO BOOKIE FACES FEDERAL TAX CHARGES

An Ohio man faces federal charges after not reporting as income proceeds from his illegally gambling and bookmaking business.

Prosecutors filed an information against Anthony Leoni Jr. of Auburn Township, Ohio, charging him with four counts of income tax evasion.

The information alleges that, during the years 2002 through 2005, Leoni conducted a sports-bookmaking operation and wagered on sporting events, and he failed to report all his income from this activity.

Specifically, the information alleges that, during those years, Leoni reported taxable income of about \$201,000 on which there were taxes due and owing of approximately \$50,000. The information further alleges that Leoni failed to report additional taxable income of \$528,758 and taxes due and owing of \$135,661 for those years.

If convicted, Leoni's sentence will be determined by the court after review of factors unique to this case, including the defendant's prior criminal record, if any, the defendant's role in the offense and the characteristics of the violation. In all cases the sentence will not exceed the statutory maximum and in most cases it will be less than the maximum.

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 Robert Becker.

When Mr. Becker sought our help, his debt to the IRS was over \$120K. Our negotiations and advocacy resulted in the IRS accepting a \$6,537.00 settlement Offer In Compromise program, A savings of over \$113,000.00!!!!

Congratulations Mr. Becker.

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 famous, salty-tongued comedian died in June?

- a) George Carlin
- b) Jerry Seinfeld
- c) Louis C.K
- d) Chris Rock

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

TN MAN SENT TO PRISON FOR TAX EVASION

Dharmendra B. Patel, 41, of Shelbyville, Tenn., was sentenced to 9 months in prison, followed by two years of supervised release, after pleading guilty to tax evasion.

Patel, owner and operator of Pik N Check convenience and check-cashing store located in Shelbyville, admitted during the hearing that he filed his 2004 tax return with the IRS which stated his taxable income for the year was \$2,916. In fact, his income for 2004 was actually around \$184,957.

As part of his plea agreement, Patel admitted that the information provide to his return preparer regarding the gross income figure generated by him was significantly understated for both 2003 and 2004. Mr. Patel failed to report income of approximately \$169,437 and \$182,041 for 2003 and 2004, respectively.

TN MAN DID NOT FILE RETURNS FOR 8 YEARS

Robert M. MacLafferty, 46, a former resident of Portland, Tenn., was sentenced to 5 months in prison and ordered to pay restitution of approximately \$37,541.72. MacLafferty pleaded guilty to five counts of income tax evasion. During his plea hearing, MacLafferty admitted that he earned income which required him to file federal income tax returns for years 1996 to 2003; however, he failed to file those returns.

IRS Question Corner ...

Question: I suppose it doesn't really matter about the details of how I got into this mess, but I owe the IRS big time. When my company was taking off, I took some bad tax advice, which in turn resulted in a big tax debt. Trouble is, my company is now out of business, and I don't know where I can get the money to pay off the personal tax debt. Do I have any options?

Answer: Yes, you have options.

The best one is what's known as the Offer in Compromise. This is a program designed for taxpayers in situations similar to yours. The IRS came up with it after years and years of beating on doors and chasing deadbeat taxpayers. The tax-collecting agency realized a kinder, gentler approach can be more effective.

Here's how it works: You and a qualified tax professional will approach the IRS regarding your current tax debt. Together, you will make an offer to settle that debt, once and for all, in exchange for the IRS's agreement to reduce that debt. In fact, Offers in Compromise can result in a debt reduction amounting to pennies on the dollar.

Of course, only certainly taxpayers qualify for this program, and based on the description of your financial predicament, it sounds like you may be one of those who qualify. However, the first thing you should do is consult with a qualified tax professional who will analyze your previous returns and come up with the exact amount you owe the IRS. With those numbers, the two of you will then begin the negotiating process to finalize an Offer in Compromise.

It's really that easy.

In addition, if you do not qualify for the Offer in Compromise program, other programs are available as well, including the Installment Agreement.

I solve IRS problems like 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.

Keith Smuckler CPA and Frederick Greenblatt, Esp

I just couldn't do it without you!

N.H. BUSINESSMAN FAILED TO PAY EMPLOYER TAXES

Scott Tobin of Canterbury, N.H., was sentenced to two years of probation for failing to file employment tax returns in 2003. Tobin, 40, operated RPS Construction LLC, which specialized in construction of steel bridges and other commercial properties. During the last three quarters of 2003, Tobin paid his employees a total of about \$36,000, but for each of those quarters, Tobin failed to file Employer's Quarterly Federal Tax Returns with IRS.

Thanks for the Kind Words...

"TRS is Excellent, Professional thorough and very friendly. Everyone was informative and helpful with my situation. I no longer have to wake up at night and think of my tax burdens, I can now enjoy my life. I can't begin to express my thanks to everyone at TRS."

- R. Becker

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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