



TRS Newspaper

Tax Resolution Services, Co., Est. 1997

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As IRS Gets Aggressive, Taxpayers Get Stupid

Thinking about cheating on your taxes? Maybe you should look around and reconsider.

Some taxpayers will resort to shady tactics to shake the taxman.

Recently Edward Sobczewski, 47, a Monument, Colo., resident, was arrested by agents with the Treasury Inspector General for Tax Administration for allegedly bribing an IRS official.

The purported offer: Colorado Rockies seasons tickets in exchange for changing his 2006 personal income tax audit.

"The message is simple: Don't even think about bribing an IRS agent with Rockies' tickets or anything else," said U.S. Attorney Troy Eid in a statement.

Desperation for those caught on the wrong end of an IRS investigation can manifest in many ways. And these desperate maneuvers are becoming more common as the U.S. government's tax-collecting agency becomes more aggressive in collecting what's due Uncle Sam.

Take Jerrold E. Richard, for example. He was arrested not long before Sobczewski.

Richard was a successful restaurateur in Delaware. When he decided to sell his eatery, the Big Easy Seafood and Steakhouse in Bethany Beach, an interested buyer came to visit.

Apparently trying to persuade the would-be buyer about how lucrative the restaurant was, Richard admitted he'd been skimming from the business and underreporting his income tax returns.

Turns out that prospective buyer was — oops! — an undercover IRS agent.

The businessman's off-the-cuff remark resulted in government search warrants for his business and house.

Although Richard reported a loss of \$616 for tax year 2004, the IRS discovered, his actual taxable income was \$112,114.

Now, instead of living high on the proceeds of his restaurant sale, Richard faces up to three years in prison and a \$250,000 fine.

And then there are potentially thousands more like Californians Dominic Chang and Marjan Pousti.

The IRS is chasing taxpayers like them as well.

Chang ran a successful auto-repair shop. For one business, he had two bank accounts. Those with invoices went into one account, whose contents were reported to the IRS. Cash deals and no-invoice transactions went into another, off-the-books account the government wasn't supposed to know about.

Trouble was, IRS found out about that secret second account.

Same goes for Pousti, who ran the books for her family's cosmetic surgery business in San Diego County. Pousti tried to conceal cash payments by converting them to postal money orders and then using those money orders to pay personal expenses, including the house note.

For taxpayers, desperate times have called for desperate measures.

You could make the stupid choice, such as trying to bribe officials with sports tickets.

Or you could make the smart choice — call a tax professional.

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