

KY. MAN DID NOT REPORT NEARLY \$500K IN INCOME

Charles L. Boulton, 61, of La Center, Ky., was sentenced to one year and nine months in prison for failing to file tax returns. He was also ordered to pay restitution of \$94,870. Boulton, a chiropractor, provided drug and alcohol tests to truck-driving schools and transportation companies in Western Kentucky. During the tax years 2001 to 2006, he earned \$495,600 and did not file income tax returns for those years.

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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 free no-obligation confidential consultation to explain every option available to solve IRS problems.

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interests with the city. From 2003 to 2007, Price accepted numerous trips from the city's engineer and a developer in the Mandeville, La., area to participate in expensive golf tournaments in Pebble Beach, Calif. These trips had a value in excess of \$45,000. Price's plea of guilty to honest services mail fraud included admissions that he illegally utilized money from his campaign fund account to pay various personal expenses.

In addition, Price failed to file a tax return for the 2007 tax year, evading taxes on his income as mayor as well as the value of the gifts and gratuities he received and funds he had taken from his campaign account.

The politician faces up to 25 years in prison and a fine of up to \$500,000.

"This investigation is another example where the teamwork between the IRS, FBI and the United State Attorney's Office has brought justice to our community," said IRS Special Agent in Charge Michael DePalma in a statement.

IRS QUESTION CORNER

QUESTION: I'd rather not get into the reasons why — let's just say I made some bad decisions and made those decisions worse by following bad tax advice — but I'm in the hole to the IRS for much, much more than I can afford to pay. What can I do? I'm worried.

ANSWER: I understand how difficult your situation is personally. But first of all, you should take some comfort in knowing you are not alone. Thousands of people every year fall into tax trouble and tax debt. What's more, you have options and you still can prevent this tax debt from ruling your life.

The absolute first thing you need to do is consult a qualified tax professional. It's quite possible that a full review of your situation and previous returns will result in information you would welcome — such as the possibility that you may actually owe to the IRS less than you think.

From the brief information you've provided here — specifically your belief that you owe far more than you can pay — I am going to guess that an Offer in Compromise may be your best option. Through this program, intended for taxpayers who have no way of paying their tax debt, you can settle with the IRS for much less than you owe. I would specifically ask your qualified tax professional if you qualify for this program.

However, if you do not qualify, you have other options, such as the Installment Agreement, which allows you to pay down your tax debt over time without significantly hampering your lifestyle.

Let's talk about your tax troubles in person. I deal with IRS problems such as yours every day because I'm an IRS problem solver. For a free, no-risk consultation, **please call my office at 305-682-1118 or toll free at 1-800-219-1118.**



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"I owe that much? How much would I owe if I turned in a friend?"

Firm Settles Payroll Tax Case, Keeps Business Open

The Law Offices of Steven N. Klitzner recently settled a case for a small South Florida business. With the current economic crisis, the once profitable company had fallen on hard times. The taxpayer owed \$120,000 in payroll taxes. The IRS personally assessed the owner of the corporation over \$80,000 as part of the Trust Fund Penalty.

The client had tried to handle the case by himself without success. The IRS filed a lien and then levied the business bank account. The Revenue Officer also contacted the taxpayer's customers and advised them to pay their account balances directly to the IRS. This created a severe financial hardship and threatened to put them out of business.

Mr. Klitzner immediately contacted the Revenue Officer and stopped all direct contact with the client. He then had all of the tax returns filed. He was able to release the bank levy. Then he negotiated an Installment Agreement with the IRS, allowing the taxpayer to pay what he can afford until business improves. Finally, he persuaded the IRS to waive \$18,000 in penalties abated.

Cases like this are very typical. The IRS has become increasingly more aggressive in their quest to collect outstanding taxes from individuals and businesses. However, taxpayers have rights and as long as they exercise those rights, they can be in control of their IRS problem. Our goal in all cases is to prevent the IRS from levying bank accounts and wages and come to an agreement that allows the taxpayer to sleep at night.

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MAN GETS PRISON FOR NOT REPORTING \$500K FROM COLO. BUSINESS

John T. Minemyer, 49, of Casper, Wy., was sentenced to 12 months in federal prison for tax evasion. Minemyer was also ordered to pay a \$25,000 fine and restitution totaling \$200,918.22.

Monomer's tax evasion charge stems from when he was a resident of Colorado Springs, Colo., where he was a 50 percent partner in a company known as Lozon, which sold coupler devices used for underground fiber optic cables. Minemyer filed with the IRS false joint tax returns for the years 2000 and 2001, substantially underreporting his income from the partnership and using a series of offshore financial transactions to hide that income.

As a result, Minemyer failed to report on his 2000 return income of \$355,176, which resulted in an underreported tax liability of \$140,561. In addition, Minemyer failed to report on his 2001 return income of \$174,087, which resulted in an underreported tax liability of \$60,357. The total loss for both years is \$200,918.

"This case is a good example of those who evade their tax obligations may end up finding themselves in federal prison and owing a lot more money than they would have originally had to pay," said U.S. Attorney David Gaouette.

Cage Owes \$6 Million to IRS

Academy Award-winning actor Nicolas Cage owes the IRS more than \$6.6 million in income taxes.

According to a tax lien filed against him, Cage owes \$70,190 for the tax year 2002, \$179,738 for 2003, \$110,617 for 2004 and more than \$6.2 million for 2007.

Cage blames his financial and tax problems on his business manager, Samuel Levin, according to a lawsuit the actor filed against the man in California.

The nephew of director Francis Ford Coppola and actress Talia Shire, Cage has long been among Hollywood's royalty and highest-paid actors. He won the Academy Award for Best Acting for his lead role in Leaving Las Vegas and has earned box-office successes in various summer action films as well as the National Treasure series.

The federal government has not filed criminal charges related to the actor's \$6.6 million tax debt.

La. Doctor Guilty of Not Filing Return

A New Orleans doctor was sentenced to five years of probation for failing to pay taxes.

Blainey J. Nicholas, 43, was also ordered to pay \$84,898 in restitution and pay a \$20,000 fine as well as perform 300 hours of community service. According to court documents, during the 2002 tax year, Nicholas received more than \$200,000 in gross income and failed to file a tax return.

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CONN. BUILDER SENTENCED TO PRISON FOR TAX EVASION

Leonard Widman, 54, of Sherman, Conn., was sentenced to 12 months and one day of in prison for failing to pay more than \$170,000 in taxes.

Widman owned a sole proprietorship known as Phase II Construction, which performed general contracting services in New York and Connecticut. Phase II Construction had a business checking account into which Widman deposited all business receipts and from which he paid both business and personal expenses.

For tax years 1997 to 1999, Widman filed tax returns and made false statements to IRS employees. In a series of interviews with IRS agents in 2003 and 2004, Widman falsely represented the nature of dozens of expenditures made from the Phase II Construction checking account as legitimate business expense. These expenditures included payments for renovation done to Widman's home, personal gym equipment, family meals, marina and boat fees, vacations, furniture, and clothing. In addition, Widman told IRS investigators he had received loans and cash gifts from family members and friends, which would be non-taxable sources of income, when in fact he had not.

In all, Widman failed to pay \$173,355 in federal income tax and self-employment tax.

Michael J. De Palma, Special Agent in Charge of Internal Revenue Service, Criminal Investigation, said in a statement: "Failure to file your income tax return is not a victimless crime. Honest, hardworking Americans pay the price when others choose to violate this basic requirement of citizenship."

Woman Faces 16 Years for Embezzlement, Evasion

An Illinois woman faces up to 16 years in prison after pleading guilty to four counts of tax evasion, willful failure to file federal income tax returns, embezzlement from an employee benefit plan and failure to pay employment taxes.

The convictions are the result of the conduct of Mary R. Storer, 40, formerly of Wood River, Ill., after she was hired by Elk Heating and Cooling as their office manager in 2006. Storer's responsibilities included answering the telephones, setting up customer appointments and handling accounts receivable and accounts payable. She was also in charge of payroll and filing and paying Elk Heating's payroll taxes. Storer immediately began embezzling money from Elk Heating and gambled away almost all of the money. In all, she lost over \$103,000 at the Alton Belle Casino in 2006. As part of the plea, she admitted she committed tax evasion, embezzled money from Elk Heating's employee benefit plans and failed to pay over employment taxes of Elk Heating. She has agreed to pay restitution in the amount of \$266,056 to Elk Heating.

Mayor Guilty of Tax Evasion, Corruption

The mayor of Mandeville, La., pleaded guilty to honest services mail fraud and tax evasion.

According to court records, Edward "Eddie" J. Price III, as the elected Mayor of Mandeville, was a public official who was prohibited by state law from receiving gifts and gratuities from professional service contractors for the city of Mandeville and developers with business

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