

# An eBook Special Report on How to FREE Yourself from

## **IRS Problems**

Prepared by: Thorgood Law Firm 270 Madison Avenue, Suite 1500 New York, NY 10016 TOLL FREE 1-844-829-2679 212-490-0704 This eBook Special Report will share with you the Insider's Story on how the IRS gets in your pockets and how you can **FREE Yourself from IRS Problems**.

IRS problems are some of the most horrible things you will ever endure. First, they can be paralyzing. You ask yourself, what can I do? You're out of answers and you know the problem is getting worse by the day. Penalties and interests continue to accrue against you, plus daily interests on the interests, and penalties.

Bottom line is IRS problems can take over your life. Once they set the collection efforts in motion, you can no longer handle this behemoth on your own. This Report will explain why IRS Problems can potentially overwhelm you and your affairs. Afterwards, we will point out the **Ten Ways** to FREE Yourself from IRS Problems.

We are Tax Attorneys and have helped numerous clients break FREE from their IRS problems, prepared to help unshackle you from the hold they have on you and your life. We have settled tax debts for fractions of what was allegedly owed. We have helped bring relief to taxpayers who were paralyzed with fear about what to do, helping to assert their full rights against the IRS.

We have turned IRS debt claims for tens of thousands into REFUNDS! We have fought all the way through Appeals to the United States Tax Court (and won!) to enforce client's rights to claim deductions that the IRS denied.

In this Report, you will find out how you can regain your life and free yourself from the paralyzing fears of IRS problems. If you decide you cannot solve your IRS problems on your own, call us at **212-490-0704** for a **FREE**, **no commitment consultation**. It may be the first step to ridding yourself of IRS problems. Besides, you have nothing to lose.

#### **INTRODUCTION**

The first step in understanding how to free yourself from IRS problems is to appreciate the

power of the IRS. There is no question IRS is the most feared governmental agency around. Many powerful men and women have been brought to their knees by the IRS. Anyone from Al Capone to Wesley Snipes can bear witness to the might of the IRS hammer.



One of the most unnerving thing is that first letter from the IRS – what do they want? It does not matter whether you're actually liable or guilty; no one wants to hear from the IRS! Many clients have come to us with letters they received from the IRS, unopened. They are afraid what the letter would say. The conventional sense is that no positive thing can come out of the IRS letter.

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About the one thing worse than the IRS letter is a visit by an IRS Revenue Officer to your home or office. Clients have called in sheer panic to announce that there is a guy at their door from the IRS. Should they open the door?

There are very good reasons for this paralyzing fear of the IRS. To understand this fear, one needs to appreciate the power, reach and extent of the IRS. They are powerful, extremely powerful. Indeed, they are the most powerful and effective debt collector in the world.

Unlike other debt collectors, IRS can simply write you a letter saying you owe them money - that



simple. If you don't respond or do something about their claim, IRS can dispatch the most powerful debt collection tools known to man against you. First, they can file a lien against you; translation – they tell the entire world your business, that you owe the IRS money. Once they do this, your credit is ruined. You instantly become the equivalent of a credit leper – you can no longer get a mortgage, credit card, bank

loan, car loan or get anyone to lend you money. Had enough? This is only the beginning.

Unlike other debt collectors, IRS:

- a. Does not need to take you to court;
- b. Does not need to get a judgment against you
- c. Does not need a court order or permission to freeze or take money from your account
- d. Does not need a court permission to seize or sell your assets
- e. Does not need a court permission to garnish your paychecks
- f. Is <u>not</u> limited to some 10% of your check they can take almost whatever percentage they want from your paychecks!

To make matters worse, everyone – your bank, your debtors, your neighbors, your employer, tenants, neighboring store owner, etc - are all too eager to help the IRS against you. They will gladly comply with that IRS letter instructing them to pay over to the IRS money owed to you. Adding insult to injury, banks nowadays will charge YOU a fee to take money from YOUR account and turn over to the IRS! Yes, they charge YOU a fee for that!

Indeed, the disruption is real. Of late, the IRS has aggressively stepped up its collection and enforcement efforts. In its 2010 fiscal year, the IRS filed over 1 million federal liens (up 60% from 2007) and issued nearly 4 million levies against taxpayers.

IRS problems can ruin your health, your work and even sometimes your marriage. Unless you promptly get help, this situation <u>will</u> actually get worse, much worse. **IRS problems never go away or get better with age, they get much worse.** The irony is that in almost all cases if you had sought help earlier, the IRS problems need not be as big as they usually turn out.

#### IRS PROBLEMS NEVER GO AWAY OR GET BETTER WITH AGE, THEY ONLY GET WORSE.

You need to do something TODAY to get your IRS problems from getting worse. You need to FREE yourself from IRS Problems, TODAY.

For nearly two decades, Attorneys at the Thorgood Law Firm have been helping clients resolve their tax problems. We are Tax Attorneys and CPAs who know how the tax system works and how the IRS operates. We use all of our knowledge and experience to get prompt and effective solutions for you.

Our Principal Partner, Shamsey Oloko, Esq. has been a Tax Attorney for nearly 20 years. Prior to that, he ran a tax counseling practice for several years. He:

- Obtained his Juris Doctor degree from the Fordham University School of Law
- Obtained his M.B.A. from the St. John's University
- Has worked in the IRS District Counsel's Office
- By appointment of the US Secretary of Treasury, served on the IRS Tax Advocacy Panel
- Served on the Association of the Bar of the City of New York's Committee on Taxation of Business Entities
- Is admitted to practice in the :
  - United States Tax Court
  - United States Supreme Court
  - United States District Court, Eastern District of New York
  - United States District Court, Southern District of New York
  - New York State Supreme Court

Other Tax Attorneys in our Firm are also CPAs and/or have advanced degrees plus extensive background in Accounting and Tax Administration. Our Attorneys have successfully helped clients over the years to resolve their tax problems. Individual and business clients have come to us and we have helped on various aspects and phases of their IRS Problems, including:

- Levies
- Audits
- Wage Garnishments
- Sales Tax problems
- Innocent Spouse Relief

- Liens
- Offers in Compromise
- Payroll Tax problems
- Penalty Abatements
- Delinquent Tax Returns

We are the Tax Attorneys that CPAs and other tax professionals turn to when they are out of answers or when they themselves are in trouble with the IRS. When tax professionals and others have issues relating to **Criminal Tax Audits**, **Examinations** or **Criminal Tax Defense**, we are the Tax Attorneys who come to their aid.



#### **GENESIS**

In the beginning...how do these problems begin? Well, like most big problems, they often start small. Oftentimes, they begin as simple as a letter from the IRS informing that you have not filed your returns – **Unfiled Tax Returns**. By some estimates, nearly 15% of all taxpayers have unfiled tax returns,

owe back taxes or are delinquent in their taxes. An IRS letter would usually ask that you file your unfiled return. If you fail to do so, thinking that you probably owe money, or worse yet, procrastinate, IRS would file one for you, called a "substitute return." Often, this is the beginning of the end. Why? Because when the IRS files a substitute return for you, they will only prepare the return based on income that has been



reported by those who paid you money. Expenses, deductions and credits you are entitled to may not be included in the substitute return IRS prepares for you.

Guess what? You will likely owe money on the substitute return. The irony is you may not have owed money had you filed the return yourself or if you had challenged the numbers used by the IRS. But since you have not disputed their numbers, the IRS will deem the debt duly owed by you and deploy

that almighty collection apparatus against you. You may then be subject to **Liens**, **Levies**, **Wage Garnishments** and **Seizures** of your assets. None of these usually has a good ending; get help TODAY!



Sometime, the problem begins with a worker claiming to be an

**Independent Contractor**. While this initially gets you out of withholding taxes, it may cause bigger problems for both the employer and the employee. For the employee, if he/she fails to make timely payments of estimated taxes, this can grow to be a far larger debt, when you add interests and penalties, often making the debt almost insurmountable. For the employer, if the IRS decides that the worker was misclassified as an independent contractor, the employer will often get a large tax bill, sometimes very large tax bill.

Every employer is aware of their obligation to timely remit **Payroll and Employment Taxes** to the IRS. However, and not unusual in these economic hard times, some employers fall behind and end up owing large sums to the IRS. In 2010, the IRS assessed nearly 8 million penalties against employers. Payroll Taxes penalties are the second-most common penalties assessed by the IRS (second to penalties assessed on Individual Taxes). The peculiar aspect to problem relating to Payroll Taxes is that, though the liability may be borne out of corporate operations, IRS will enforce the collection against the



individuals in charge of the company. IRS will go after you, ruin your credit, take money from your accounts, seize your assets and otherwise make your life miserable.

Other times, while dealing with the regular travails of life, you may find yourself on the receiving end of a claim by the IRS for unpaid taxes originating from joint tax returns. In many cases, you are indeed an **Innocent Spouse** and had little or no knowledge or responsibility for these joint tax debts. It is not uncommon for these bills to show up when there is the sudden death of a spouse or during separation, or divorce. Unbeknownst to many taxpayers, both spouses on a joint tax

return are generally jointly and severally responsible for the entire tax liabilities – translation, if one spouse doesn't pay (or is unable to pay) the other spouse will be held fully liable. These debts can run into tens of thousands of dollars and can show up at the most inopportune times.

**IRS Audits** can be particularly traumatic experiences for both individuals and businesses. They can be even more traumatic, and damaging, to go through the experiences alone. If there was a time you need a tax professional, this is it. An Audit can severely upset a taxpayer's (or business') affairs. Without the assistance of a seasoned and knowledgeable professional, a taxpayer is often outmatched and likely to make unfavorable submissions and representations.

In calendar year 2009 alone, IRS audited more than 1.7 million returns. When you use a tax lawyer to represent you at an audit, you can avoid being present at the audit and being asked further questions which can sometimes lead to expansion of the audit's scope. Hiring a tax lawyer for an audit allows you to have someone who knows the tax laws and regulations as well as the Internal Revenue Manual on your side, representing you.

### **TEN WAYS TO FREE YOURSELF FROM IRS PROBLEMS**

1. File your delinquent tax returns, NOW! - This rule is so basic and cannot be overstated.

It is the golden rule in the tax world. For starters, in order to claim any refunds due, you must have filed all of your current and back returns. Also, you may lose the right to claim a refund if you filed the return more than 3 years after it was due.



And here's the BIG one: Did you know that you could be imprisoned for failing to file your income tax return? That's correct, IRS can prosecute you and have you sent to jail for willfully failing to comply with tax laws. And that's in addition to seizing your assets and imposing fines on you. Pretty harsh, huh? Yes, but <u>totally avoidable</u>.

Any way you look at it, filing your return is the sensible thing to do. If the IRS sees you as a scofflaw, then you've put yourself in a really bad standing with the IRS. As soon as possible, file all of your back taxes and claim all your lawful deductions, expenses and credits.

2. Engage the IRS, Do Not Ignore Your IRS Problems - Pretty much every tax professional will tell you that the most common and the biggest mistake taxpayers make is to ignore their IRS problems, hoping it will go away. If the IRS doesn't hear from you, they may think you are a scofflaw intentionally ignoring them. They will have no choice then but to commence collection efforts against you; translation – they will file a Lien against you, Garnish your paychecks, Levy your bank accounts, seize your assets, etc. They can even imprison you for failure to file and pay back taxes.

Indeed, IRS problems can be paralyzing, but the solution is not to ignore them. Unlike some other problems in life, IRS problems do not get better with time – they are in fact almost guaranteed to get worse unless you address them.

The good news is that help is available – and the sooner the better. The sooner a tax professional gets involved in helping resolve your tax problem, the better the chances for a prompt and effective solution.

With the assistance of a seasoned tax professional, you may engage the IRS by being current and filing all your back taxes, and establish the actual extent of your debts. Your tax representative may then possibly negotiate a reduction of your debts and arrange for an installment agreement or an offer-in-compromise.

3. Don't Forfeit Your Rights (By Ignoring IRS Letters) – You want Letters? IRS sends out more than 8 billion pages of paper every year. More often than not, most IRS problems can be prevented outright or at least minimized by not ignoring the infamous IRS Letter. In fact, in dealing with the IRS, there are specific time periods when a taxpayer may exercise certain rights and they are usually tied to some date specified in correspondence from the IRS. By failing to respond to IRS Letters, a taxpayer may unknowingly forfeit those rights.

Keep in mind that IRS is a most patient but effective debt collector. While you sleep, your IRS debt continues to grow from accumulating, daily interests. If you don't pay your IRS debt today, IRS will wait until tomorrow to collect even more money from you. Sooner or later they will catch up with you and begin taking money from your paychecks, bank accounts and seizing your assets.

Seek help today. The sooner a tax professional becomes involved in helping to resolve your tax problem, the better your chances for getting your life back on track.

Negotiate IRS Settlement When You Are Broke – About the only time being broke comes in handy is in negotiation with the IRS. First, get all your returns filed to date. Then, approach the IRS, admit you owe them the amount they claim (if you do) but proclaim you do not have the means of paying it all off. You can enter into an Offer-in-Compromise, where your debt will be reduced from what IRS claims you owe to what you can actually afford to pay.



IRS will of course put you through tests to see if you are truly broke and unable to pay all of the debt they think you owe. Once they are satisfied you are telling the truth, IRS

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will generally accept your offer and work out a payment plan based on how much you can afford to pay.

Caution, contrary to those late-night commercials, the Offer-In –Compromise is a lengthy and comprehensive process and you have to convince the IRS of your income level to be successful. Notwithstanding, IRS accepted some 14 thousand of the 57 thousand offers it processed last year.

Especially given the current economic conditions, there is perhaps no better time to negotiate a settlement with the IRS. You need to get started TODAY to FREE Yourself from IRS Problems.

5. Resolve Your IRS Problems When You Have NO MONEY! – In resolving your IRS debts, what's better than being broke? Having NO money! As crazy as it sounds, the best time to resolve your tax problems is when you have no money. If you can convince the IRS that you truly have NO money - no equity in your home, no savings or investments and little salary - the government will likely put you on a Currently Not Collectible status, realizing that no matter how hard they try you have nothing to give them.

Though you may have to show from time to time that your financial situation has not improved, after some time (10 years) the entire debt will be forgiven.

This is best done with the assistance of a tax professional, as there are statutes of limitation and other pitfalls to contend with.

- 6. Do Not Necessarily Trust IRS Calculations When the IRS calculates your debt, do not necessarily trust their numbers in trying to reach a settlement with them. IRS would invariably make assumptions that favor them in computing the amount they will claim you owe. You should closely review the numbers to see whether you indeed owe the money as claimed. A seasoned tax professional knows what to look for and ensure your rights are fully protected.
- 7. Fight off the paralysis Do not allow IRS problems to paralyze you. It helps to know you are not alone and that there are some 800,000 other Americans out there who are unable to pay what the IRS claim they owe. The one way to fight off the fear and paralysis is to get started TODAY. Nothing compounds IRS problems more than doing nothing about them. Every day, the debt will continue to get higher with penalties and interests compounded daily.

Once you decide to address your IRS problems, you may find out they are not as bad as they appear. Also, once you talk to a tax professional, you may be able to navigate a way out of the mess faster and better than you had thought.

8. Fight for Your Rights – Sometimes taxpayers falsely believe the IRS will make nice to you simply because they are nice. Well, it's not that IRS workers are not nice people, but they are well-meaning and work for the IRS and <u>not</u> you. Unless you are prepared to assert your rights, the IRS will often not do it for you. Say there was a tax due but well beyond what the IRS can legally collect, you would have to assert that timeliness issue otherwise the IRS will insist on collecting the money from you.

In a recent case we handled, the IRS denied a taxpayer's deduction because – guess what- the taxpayer worked for the IRS! IRS refused to budge. Fortunately the taxpayer was willing to assert his rights and we fought the case all the way through Appeals to the Tax Court. And yes, we won!

- 9. Don't Lie to the IRS First, it is a felony to lie to a federal official. If you lie and you get caught, you will go to jail. Second, IRS is really the Big Brother they have far more access to information than you might imagine. They can get information about you from so many different sources such that they might end up knowing more about you than you do yourself. Correctly report your income and deductions, so you can sleep better at night.
- 10. File Back Taxes and Work Out a Payment Plan One common reason a lot of people do not to file their taxes is because they think they owe money. This makes little sense. Firstly, the penalty for late filing is almost always more than penalty for late payment. So, if you had filed the return on time but not pay right away, you at least avoid the larger penalty for late filing. IRS may understand (a bit) why you are late paying but they are less kind to late filing.

Secondly, IRS may already be aware of your incomes anyway, through mandatory third party reporting. So, by not filing you are not keeping that fact from the IRS. Most people paying you money are required to report the payment to the IRS. These include your bank, stockbrokers, and even the casino.

Once you have filed your back taxes, you may be able to enter into an affordable payment plan with the IRS, getting on the path of paying off your IRS debts and able to FREE Yourself from IRS Problems.

#### CONCLUSION

In conclusion, you should endeavor TODAY to end the paralyzing fear that has kept you from ending your IRS problems. End the procrastination and resolve to FREE Yourself from Your IRS PROBLEMS.

The Attorneys at our Firm have helped numerous people for almost two decades and are prepared to assist you. We can help you to stop the harassment and the stress.

If you decide you cannot solve your IRS problems on your own, call us at **212-490-0704** for a FREE, no commitment consultation. It may be the first step to ridding yourself of IRS problems. Besides, you have nothing to lose.

#### WHY SHOULD YOU CHOOSE A TAX LAWYER?

- 1. **Attorney-Client Privilege**: While other tax professionals may be forced to disclose what you told them, by law, communication between you and your lawyer is protected, making it confidential and not available to anyone else. This allows for an environment where you can freely share the nature and circumstances of your tax issues with us, making it more likely that we will get you relief more promptly and effectively.
- 2. Put a Lawyer between you and the IRS: A lawyer knows in advance the ramifications of specific steps and conducts in dealing with the IRS. If you deal directly with the IRS, you may inadvertently make statements or offer information that doesn't help your case. An experienced lawyer can protect you from making these types of errors. Once you hire us, IRS must go through us in all interactions with you. That offers you additional protection as we can ensure your rights are fully protected.
- 3. Other Tax Professionals refer their cases to Lawyers: A good portion of the cases we get come from Accountants. Contrary to common belief, many CPAs do not generally handle IRS problems. Also, we are the Tax Attorneys that CPAs and other tax professionals turn to when they are out of answers or when they themselves are in trouble with the IRS. When tax professionals and others have issues relating to Criminal Tax Audits, Examinations or Criminal Tax Defense, we are the Tax Attorneys who come to their aid.
- 4. Advanced Knowledge of Tax Laws: We are attorneys fully conversant with the tax laws. With our experience over nearly two decades representing clients before the IRS and other taxing authorities, we are able to comprehensively review each individual or business situation and promptly begin on a course of solutions that would help you.
- 5. IRS Uses Tax Lawyers, Why Shouldn't You? IRS Examiners and Officers represent the interest of the IRS, <u>not yours</u>! Their lawyers vet all of IRS activities and operations in advance. Wouldn't it be fairer if you too had your own lawyer backing you up? Armed with advanced degrees and constant updates on various facets of Tax Law, our Lawyers competently and effectively represent clients in all phases of Tax Disputes, including in the US Tax Courts and the United States District Courts.
- 6. The Lawyer Advantage IRS Officers will take advantage of every taxpayer who is not knowledgeable about tax laws, IRS audit or collection procedure. We can protect you from IRS errors, abuse or intimidation. Our Lawyers' knowledge of the Tax Laws and finely honed negotiating skills are very critical in assisting individuals and businesses caught in the IRS grip.
- 7. And one more thing...Before you hire just any lawyer to represent you before the IRS, you should know that a vast majority of lawyer themselves do not practice tax law. We are Tax Lawyers and have practiced tax for nearly two decades. We have represented ordinary laypersons, professionals, other lawyers, judges, businesses and other organizations on their tax matters.

You've tried dealing with this problem yourself. Try a more effective approach TODAY.

Give us a call today at 212-490-0704 for a FREE consultation.

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