



The IRS Tattler

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Special points of interest:

- Actor Chris Tucker's IRS "Rush Hour"
- What Is All This Talk About Travis Watkins?
- Cain's 9-9-9 Tax Plan
- IRS Wants To Increase Audits

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Actor/Comedian Chris Tucker Facing Tax Debt

Over the summer, celebrity tattler TMZ, was following the tax woes of Rush Hour funny-man, Chris Tucker. According to the L.A. County Records Office, the IRS filed an \$11.5 million Federal Tax Lien against Tucker for unpaid income tax back in July, 2010. This Federal Tax Lien is in addition to a state of California tax lien for income taxes to the tune of \$3.5 million. Note to California: remove your state system from poverty levels by enforcement of existing celebrity tax debt!

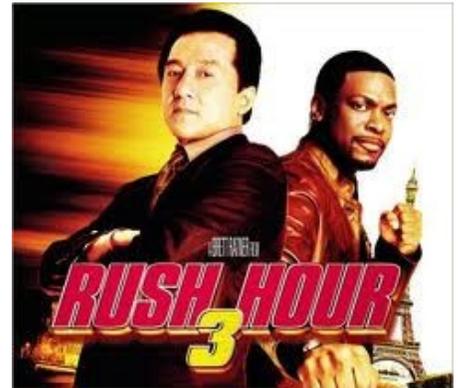
The \$11.5 million tax liability secured by the Federal Tax Lien breaks down like this:

2001--\$4,007,794

2002--\$5,060,074
2004--\$55,544
2005--\$660,414
2006--\$1,788,080

In 2001, Tucker was paid over \$20 million for Rush Hour 2. In 2006, Tucker was paid \$25 million for Rush Hour 3.

Not surprisingly, this news corresponds to recent developments in Tucker's real estate portfolio. Tucker is selling for \$2 million an 8,861 square foot home in a posh suburb of Orlando, which he purchased for \$6 million three years ago. He owns other properties in California as well. It is unclear if he



Chris Tucker ought to "Rush" to a tax professional...

intends to dump some of this property to settle his tax debt.

What does Chris Tucker have to say about his 11.5 million dollar tax problem? In a recent stand-up routine, "that's the last time I let Wesley Snipes help me out with my taxes!"

IRS Offers Streamlined Offer In Compromise

This new program is available to self-employed taxpayers with gross receipts of \$500,000 or less and no employees, wage earning individuals and the unemployed.

To qualify, you must earn \$100,000 or less (total household income) and your tax debt must not exceed \$50,000. If those criteria are met, the customary scrutiny the IRS applies to its

offer in compromise applications (missing documentation or "critical perfection" of the application) will be somewhat relaxed. Call me for more information!

What Is All This Talk About Travis Watkins? Who Is Travis Watkins?!

Local, licensed, lawyer, Travis Watkins is Oklahoma's go-to man when it comes to tax issues. Travis grew up right here in Oklahoma City and graduated from Putnam City North High School. He then attended Oxford University and received his B.A. in 1995. Travis always knew he wanted to be a lawyer, so he went on to study Law at Oklahoma City University where he received his law degree in 1999. He has since represented countless companies and individuals

with tax problems before the Internal Revenue Service.

Travis specializes in helping people survive owing the IRS, because he does not like to see the IRS abuse their power. He enjoys the challenge of appealing tax assessments and using the tax code in the taxpayer's advantage. Travis is also author of the best-selling book, [The Ultimate Survival Guide for IRS Problems](#) and is a member of the American Society of IRS Problem Solvers

which helps keep him fresh on the latest changes to the tax laws.

Travis lives in Oklahoma City with his beautiful wife, Jennifer, and two kids, Knox, age 3 and Emma, age 2. Travis is an active member of LifeChurch.tv. He is an avid OU Sooner Football, OKC Thunder, and Rock 'n Roll fan. He can be reached 24 hours a day at 1.800.721.7054 or locally at 405.607.1192.

Don't Trust IRS Advice When it Comes to Penalties

I often tell clients that one arm of the IRS does not know what the other arm is doing. Look, the tax codes are tough and they are changing everyday. Don't expect the agency itself to know its own rules and pro

"Two things are certain in life: death and taxes, not IRS advice." —Travis Watkins

cedures. Here is a case in point. In *Estate of Telesmanich*, TC Memo. 2011-181, the executor of an estate in Croatia called the IRS seeking ad-

vice concerning the U.S. income tax interest implications of long delays in the Croatian probate systems. The IRS Agent said essentially no big deal, send in the money with a written explanation of the cause of the delay, and interest would be

abated (removed). The executor followed this advice. Well, the folks at the IRS responsible for tax assessment saw things a different way. The IRS tacked on the interest anyway and did not remove it.

The Tax Court ruled in the

IRS' favor on the tax controversy because it found that the delay, overdue tax and resulting interest was not the result of the Agent's bad advice. So, moral of the story is that 2 things are certain: death and taxes, not IRS advice.

IRS Vows To Do Better (Auditing Additional Years of Your Income)

In response to recent U.S. Treasury inspector concerns, the IRS says that it will do a better job in its audits. What the IRS means is, they will try to open up as many years as they can (the statute of limitations is 6 years if the IRS meets certain criteria) with each audit that shows that income was



either understated or deductions were overstated or both in the return.

What does this mean to you? If you are the unfortunate target of an IRS audit (whether by random chance or other criteria), and they find such reporting errors, it is more likely than ever that the IRS will open the additional years to

find more common reporting errors. Statistics show that the IRS has been typically skating close to its statute of limitations on its audits (which carry a 3 year statute of limitations). These limitations periods do not apply if the IRS determines that the return is fraudulent.

Thank you for the kind words...

Find out why these clients chose my office, and how my diehard approach to tackling tax debt saved them thousands of dollars...

This month's testimonial comes from J.S. of Stillwater. J.S. was referred to me by another client. It was a pleasure working with him to resolve his tax issues.

"I hired another tax firm before hir-

ing the Law Offices of Travis Watkins. Big mistake. They did absolutely nothing and if anything, made my problem worse. Mr. Watkins will listen to your problems; most other attorneys, or sales people, like to hear themselves talk, and he genu-

inely cares...his staff is responsive and professional. They closed my case in half the time it sat at this other firm. I wish I would have hired them first time around.

"I hired another tax firm before hiring the Law Office of Travis Watkins. Big mistake..."

Special giveaway! \$250 off any tax service I provide...

This is a fun section. Every month I ask a trivia question, and you take your best guess and call me at **405.607.1192** with your answer. Just get the answer right and I'll give you \$250 off any tax service I provide!!

In 2000 the Sooners won the BCS Orange Bowl against Florida

State. What was the score?

- A. 14-2
- B. 13-2
- C. 24-14
- D. 32-14

Call me with your answer, now!



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**THE LAW OFFICES OF TRAVIS W. WATKINS,
PC**

6402 N. Santa Fe
Suite B
Oklahoma City, OK 73116

1831 E. 71st St
Tulsa, OK 74136

Phone: 405-607-1192
Phone: 918-877-2794
Fax: 866.607.2562
E-mail: Travis@taxhelpok.com

<<Recipient address>>



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Cain's 9-9-9 tax plan: panacea or slippery slope?

Former pizza exec, Herman Cain, sounds like the end of the Beatle's White Album (#9, #9, #9...). Anyway, Cain has his 9-9-9 tax plan to thank for recent polling popularity. Undoubtedly, the Republican presidential hopeful has struck a chord with Americans that may resonate to the voting booth. His 9-9-9 plan (a 9% tax rate across the board on income, sales and corporate payroll) is touted as the panacea for the complexity of

the tax code.

As with any mention of fair or flat tax, the critics go wild that the poor will be disproportionately penalized with any type of a consumption tax, even one that runs side by side with income taxes. The purchase of consumer items is always going to pain low income folks in the wallet worse than Donald Trump. The price of consumer goods stays the same for every-

one, regardless of your income level.

But, let's face it. The money saved in paperwork (tax preparation) and enforcement (i.e. IRS collection efforts to chase down tax debt) goes down. The only problem is that the beast is always hungry and must be fed. I hate slippery slopes, but how long before 9-9-9 becomes 10-10-10 or 33-33-33? Those aren't very catchy numbers for your album (or your portfolio either).

