The Law Offices of Travis W. Watkins, PC

The IRS Tattler

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Special points of interest:

- Christie Brinkley on the brink of an IRS mess…
- Gambler's Guide to the IRS
- The End of Oklahoma Income Tax???????
- Christmas Tree Tax Season

Inside this issue:

Uptown Girl Christie Brinkley Newest Celeb IRS Target

TMZ has again broken the news on the newest celebrity facing IRS trouble. This time it is supermodel Christie Brinkley. She owes $532,000 in back taxes, and has vowed to pay back every penny. She blames a recently filed tax lien against her on sheer ignorance of the situation, her high-priced accountants, and the general ailing health of her elderly parents. There is no indication that her finances will prevent her from making today's payment as promised.

This story serves as another solemn reminder that Americans at all walks of life are subject to the strong arm of the IRS. Luckily for this celebrity, it appears that she will be able to pay her liabilities in full. Although Brinkley does not appear to be seeking any reduction in the amount she owes, the reasons she offered for not paying on time appear credible and would be legitimate bases to abate the massive penalties that have likely accrued against her debt. Go to my website at taxhelpok.com and watch my video for other legitimate reasons you may have experienced in failing to file or pay your taxes on time. The IRS calls these circumstances "reasonable cause" for forgiving penalties, and the IRS routinely approves about half of the requests.

Brinkley on the *brink* of an IRS mess...

Call me today at 1-800-721-7054 to discuss putting together your best arguments for "reasonable cause" to forgive those crippling penalties you have been dragging along.

FAQ: Can You Stop a Bank Levy?

Yes. Here is how a bank levy works: Bank levies are one time levies...or garnishments. If the IRS wants to garnish your account a second time, they have to send the bank another Notice of Levy, and chances of that are slim. A bank has to hold any and all funds in the account *at the time the Notice of Levy is received for 21 days*. We can negotiate a resolution that would stop the funds from being turned over to the IRS at the end of the 21 day period...but time is of the essence. You need my help. Call me today: 405-607-1192.

The Gambler's Guide to IRS Problems

I get alot of questions about gambling and the IRS, especially around bowl season, so I thought a quick reference guide would be helpful.

1. **The wager must be legal**. This seems like a no-brainer, but you would be surprised.

2. **Gambling winnings are taxable income, and you must report them, period**. This includes winnings from lotteries, horse and dog races and casinos and the fair market value of prizes are all taxable by the IRS. The rules are somewhat complicated, but the casino will keep you honest by issuing you a W2-G if you make more than $1,200 in slots, $1,500 in Keno, $5,000 in a poker tournament or the payout on some other wager exceeds $600 and is more than 300 times that wager. They may even withhold some of your winnings meet this criteria.

Know when to hold 'em, to fold 'em and don't forget to report 'em

3. **You may deduct gambling losses if you itemize, but they may not exceed gambling winnings**. I had a buddy in college that kept all his losing tickets, but he never had any winnings. Sorry, doesn't work.

4. **Keep a journal and your receipts on winnings and losses if you do any significant volume of gambling**. You really will need a written record to make a case for your offsetting losses if you are ever audited.

These are only a summary of broader rules, but you get the picture. If you are facing an audit where gambling winnings are at issue, or your gambling has caused a shortfall in your ability to pay your taxes, call locally licensed tax lawyer, Travis Watkins, at 1-800-721-7054 today. I have helped many just like you put their finances back together from these shortfalls.

End Your Tax Problem In 2012!

It's Christmas time again, and 2012 is right around the corner. Have you paused a few moments and written your 2012 resolution yet? Notice, I said resolution, not resolutions plural.

This year make only one resolution. Just think, if you made only 1 resolution each year for the last 10 years, and kept that annual resolution, you would have been 10 new behaviors, 10 new habits or 10 goals closer to a better life. Instead, many go about aimlessly with a list of unfocused wants that likely recur from year to year, only to be dashed into disappointment (or gluttony) by February 1.

What if one of those resolutions over the last 10 would have been to end your tax problem for good and get back on track with your taxes?

If you suffered through 2011 with the baggage of 1 or more years of tax problems hanging over your head, do not put it off any longer. Make ending your tax problem your 1 resolution in 2012.

The end of 2011 and the beginning of 2012 is the best time in years to resolve tax problems with laser intensity. We are in a recession/depression. There has been some recovery, but the IRS realizes that Americans are hurting financially. I have submitted offers in compromise, installment agreement requests and currently not collectible status requests this year for clients that I would have never dreamed would be approved in years' past. They are going through because of relaxed programs like the Streamlined Offer in Compromise, set to expire in March, 2012.

You might as well take advantage of the general tone that IRS collections has taken lately: get the money that you can from taxpayers, while you can. This makes it even more important not to snooze or suffer through another year of tax problems, especially this year.

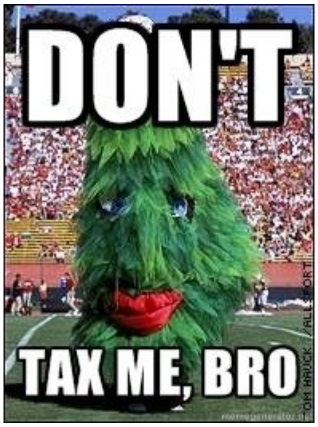
Call me today at 405-607-1192 or 918-877-2794 and make an appointment to talk with me in person, so we can talk about making that new year resolution actually happen!

Christmas Tree Tax Season

The Obama administration has backed away from a proposed fee on Christmas trees, after critics called the measure a Christmas tax and Obama the Grinch who stole Christmas.

The White House denied claims that this was a tax on Christmas. The measure, set to go in effect last week, was touted as a 15 Cents per tree self-imposed assessment among producers and importers of fresh Christmas trees.

Supporters say that the industry assessment was meant to raise money for advertising campaigns to support natural Christmas tree producers, which have fallen behind in sales in recent years to artificial tree producers. In this regard, it would be no different from the "Got Milk" campaign for the dairy industry or the "Beef, it's what's for dinner" campaign for beef producers.



Nonetheless, the public shaming from the incident has resulted in retreat for supporters of the measure. The White House says that the USDA has pulled the measure to be "revisited" at a later time (maybe a less conspicuous time of year--like Arbor Day?).

Kind Words

From our clients…

"It surprised me how Mr. Watkins knew all of the Revenue Officers. Once he took my case, he got in there and immediately took charge. He got my Revenue Officer off my back. I followed Mr. Watkins' instructions and gave him everything he asked for. Before I knew it, my levy was removed and I was on a payment plan I could handle. And I haven't heard from that Revenue Officer since! I finally have peace of mind."

— R.V. of Edmond, OK

The End of Oklahoma Income Tax?

The Republican-dominated Oklahoma Legislature is making enroads to ending the Oklahoma income tax. Republican Governor, Mary Fallin, has assigned a gubernatorial task force to research the gradual phase out of the income tax over the next 10 years. The task force is also charged with making the Oklahoma tax code leaner and easier to understand.

This would mean that state government would have to become more efficient, and we would have to find a new source of revenue. Income tax makes up about 30% of the State's revenue currently. The 9 states that have no income tax make up the difference by raising property taxes. Another possibility for raising revenue is by raising sales tax, but ours is already over the national average. Also, taxing spending always raises concerns that lower income families are unfairly impacted and it chills consumer spending (which hurts businesses, especially small business).

If you have an Oklahoma Tax Commission problem, call my office today: 405-607-1192 or 918-877-2794

So, my prediction is higher property taxes. How high? Well, Texas has no income tax, and their property taxes are about twice as much as ours.

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!!

Ready? Here we go:

Which US State in 1907 was the last to legally declare Christmas a holiday?

A. Utah

B. Oklahoma

C. Texas

D. Arkansas

CALL RIGHT NOW WITH THE CORRECT ANSWER!

COUPON IS TRANSFERABLE

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The Heir of Steve Jobs Could Face Nearly a Billion in Capital Gains Tax

Steve Jobs had a lot of stock when he died last month--$6.78 billion in Apple and Disney stock, to be exact. Lots of stock means lots of capital gains. Had Jobs sold the stock the day before his death, for example, he would have faced a tax bill over $850 million!

Capital gains are set to rise from 15% to 20% in 2013, along with a levy of 3.8% on unearned gains for the wealthy. When Jobs' wife dies or money is given away from the Estate, the money is also subject to a 35% estate tax. However, the stocks are in trusts, and a trust administrator can currently sell the stock which is only taxed on the appreciation since Jobs' death and not on his whole investment. Since Jobs' death, the taxable appreciation was a meager $330 million! So, the Jobs will likely sell the stock to avoid the growing gains and resulting enormous tax bill. That is, if there is a market for that volume of stock.

Perhaps Warren Buffett can snatch up some more of these stocks and beg the IRS to tax him and his fat cat friends a little more. Regardless, the Jobs are wise to consider dumping the stocks for the substantial tax relief.