



Learn how to avoid IRS problems and solve them if you find yourself with one!

Volume XII, Issue 6
Friday, 9:47 AM

Inside This Issue ...

Rapper Busta Rhymes Owes IRS \$790,000 ... Page 1

Lawyer Gets Prison for Not Paying Taxes ... Page 1

Seafood Distributor Guilty of Tax Evasion ... Page 2

Mental Health Counselor Sentenced for False Return ... Page 2

Prison for Enormous Tax Refund Scheme ... Page 3

N.C. Couple Sentenced for Refund Scheme ... Page 3

Mo. Businessman Indicted on Tax Charge ... Page 3



The Schlichting Group Inc.

IRS Times & Inquirer

“Read About Taxpayers with IRS Problems & Learn Helpful Tips on How To End Them.”

Rapper Busta Rhymes Owes IRS \$790,000

Rapper Busta Rhymes, whose real name is Trevor Tahiem Smith Jr., owes the Internal Revenue Service nearly \$790,000.

The IRS filed two tax liens against Rhymes, for \$611,000 in unpaid taxes for 2008 and another \$178,000 for taxes in 2012, according to documents obtained by celebrity news website TMZ.

Rhymes has released eight studio albums. His first, *The Coming*, went platinum. He has also appeared in movies, such as *Shaft* and *The Rugrats Movie*, as well as in TV shows including *The Wayans Bros.* and *The Steve Harvey Show*.

Lawyer Gets Prison for Not Paying Taxes

A Wisconsin lawyer was sentenced to six months in prison and ordered to pay the IRS \$380,000 in taxes after he was convicted of failing to pay income taxes owed for the years 2007 to 2009.

George W. Curtis, 77, of Pickett, Wisc., was also sentenced to supervised release for one year and ordered to pay the costs of prosecution of \$3,878.28.

(Continued on Page 2)

Read about IRS cases I've solved on my web site: www.SlickTax.com

MENTAL HEALTH COUNSELOR SENTENCED FOR FALSE RETURN

A Washington state mental health counselor was sentenced to a five-year term of probation for filing a false income tax return.

Debra Van Brunt-Oreiro, 59, of Omak, Wash., was also ordered to pay \$250,172 to the IRS in unpaid taxes, to perform 10 hours of community service on a weekly basis during her entire term of probation, and to pay a \$100 penalty assessment.

According to court records, Van Brunt-Oreiro was the owner-operator of ADJR Counseling Services in Omak, Wash., and provided mental health counseling and therapy services to Colville Confederated Tribal members and non-members. Van Brunt-Oreiro was an independent contractor and not a tribal employee.

Van Brunt-Oreiro filed false Federal income tax returns with the IRS for the years 2006, 2007 and 2008 which underreported income she received from the CCT by approximately \$575,616, court records show. She also failed to file a 2009 federal income tax return, even though she earned about \$233,737 in income that year.

“The system only works when everyone truthfully reports their income and pays their fair share of taxes,” U.S. Attorney Michael C. Ormsby said in a statement.

(Continued from Page 1: Lawyer Gets Prison for Not Paying Taxes)

Curtis, a lawyer practicing in Oshkosh, Wisc., was convicted after a jury trial of three counts of willfully failing to pay the taxes he owed for those years.

While Curtis filed tax returns for these years reporting his income and taxes, he paid none of the taxes. In addition, Curtis has yet to pay taxes he owed for the years 2003 and 2004.

At trial, the government introduced evidence that during the years 2007 to 2009, Curtis' law practice generated a profit of approximately \$1.1 million and that he used those funds to make personal expenditures totaling more than \$1 million.

Nonetheless, Curtis paid none of the federal income taxes he owed for those years.

Seafood Distributor Guilty of Tax Evasion

A North Carolina seafood distributor pleaded guilty to tax evasion.

Jeffrey Wayne Scott, 48, of Wilmington, N.C., was indicted on five counts of personal income tax evasion and one count of filing a false corporate tax return. He pleaded guilty to one count of willfully attempting to evade his personal income tax for tax year 2007.

According to court documents, Scott has owned and operated Greenville Loop Seafood since 1995. Scott reported that his taxable income from 2006 to 2010 ranged between \$23,934 and \$92,999. During these five years, however, the Scotts spent far in excess of this reported taxable income on personal expenditures.

Thank You! Thank You!

Thanks to *YOU*, the word is spreading. Thanks to my clients and friends who graciously referred me to their friends, clients and relatives last month! I enjoy building my business based on the positive comments and referrals from people just like you.

I just couldn't do it without you!

N.C. COUPLE SENTENCED FOR REFUND SCHEME

A North Carolina couple was sentenced to prison for filing more than 1,000 false tax returns and collecting more than \$3.5 million in fraudulent tax refunds.

Senita Birt Dill, 46, and Ronald Jeremy Knowles, 42, both of Mill Spring, N.C., were sentenced to 324 and 70 months in prison, respectively. In addition to the prison terms, they were ordered to serve three years under court supervision and to pay \$3,978,211 in restitution to IRS. Dill and Knowles pleaded guilty to false claims conspiracy and access device fraud. Dill also pleaded guilty to aggravated identity theft.

According to court records, from 2009 to 2012, Dill and Knowles used fraudulently obtained personal identification information, including names, dates of birth and Social Security numbers, to file false tax returns claiming refunds. Court documents indicate that the pair used tax preparation software programs to file and submit these fraudulent federal and state tax returns.

The tax returns contained fictitious information, such as the filer's income and the amount of federal tax withheld. Court records show that the couple were careful to use fictitious figures that maximized the amount of the claimed refund while minimizing risk of detection.

Prison for Enormous Tax Refund Scheme

Two people in Ohio were sentenced to prison for their role in a multimillion-dollar tax refund scheme.

Mercedes Emelinda-Silie, 41, of Grove City, Ohio, was sentenced to 36 months in prison, three years of supervised release, and ordered to pay \$4,415,492.58 in restitution to the IRS for her role in a conspiracy to defraud the U.S. government by filing false claims for federal income tax refunds.

Jose Luis Martinez, 47, of Columbus, Ohio, was sentenced to 60 months in prison, three years of supervised release, and ordered to pay \$4,415,492.58 in restitution to the IRS for his role in the conspiracy.

According to court documents, during 2010 and 2011, Martinez and Silie owned and operated San Isidro Cargo in Columbus. San Isidro Cargo was registered with the U.S. Treasury Department as a money service business to provide services such as check-cashing, wire transfers, tax-preparation, notary services, and title services among others.

Martinez used San Isidro Cargo to assist co-conspirators, primarily located in New York and New Jersey, in carrying out the income tax refund scheme which came to be known as "Operation Mass Mail."

This scheme involved the mass filing of hundreds of false income tax returns with Social Security numbers and identifying information of residents of Puerto Rico. The income tax refund checks were mailed to pre-arranged addresses, usually apartments in New York.

Client Experience:

Challenge: I failed to file tax returns for four years. When the IRS contacted me, it claimed that I owed thousands in back taxes.

Solution: In just two weeks, The Schlichting Group had prepared and filed my tax returns. They also negotiated a payment plan – even before the IRS had examined my returns.

Results: I was able to pay off my taxes over time. Plus, the entire matter was handled quickly, letting me move on with my life.

—Spreading payments over time

MO. BUSINESSMAN INDICTED ON TAX CHARGE

Kenneth Kreisch, of Lake St. Louis, Mo., was indicted for allegedly failing to pay employment taxes that had been deducted from employee payrolls. Kreisch controlled and was part owner of Marble and Granite Worldwide. Prosecutors allege that after withholding employment taxes from his employees' paychecks, Kreisch failed to account for and pay over approximately \$462,501.

Thanks for the Kind Words...

After negotiations with the IRS, my husband owed only \$6,000. Best of all, the retirement savings I worked to accumulate before we got married are safe.

—Protecting an innocent spouse

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

The Schlichting Group Inc.
12900 Preston Road, St 600
Dallas, TX 75230
(972) 385-8182 phone
(877) 590-2500 toll free
(972) 385-7756 fax
www.SlickTax.com

Copyright © 2014 Winning Strategies LLC. All rights reserved

IRS Question Corner ...

Question: *If I owe a lot in back taxes to the IRS, how do I know whether the Offer in Compromise or Installment Agreement is right for me? Who determines which option is best?*

Answer: Thanks for your great questions, and congratulations on beginning the process of tackling your tax debt head on. Ultimately, you'll have the final say on which option is best for you, assuming you meet the criteria for qualification. But you'll need the help of a qualified tax professional to decide which option you should choose, so your first order of business should be to meet with a qualified tax professional in your area.

The first step he or she will take is to analyze your previous returns and your current financial situation. Analyzing your previous returns will allow your qualified tax professional to make sure no errors were made in previous filings that may have resulted in an inflated tax debt to the IRS. After all, why go into negotiations with the IRS claiming you owe more than you actually do?

After this step, you and your qualified tax professional will determine which option is best for you.

If you owe a substantial amount in taxes but are unable to pay that debt, even over time, you may qualify for the Offer in Compromise. This program allows you to go to the IRS and negotiate a one-time settlement that often amounts to a *significant discount*. This program is intended for taxpayers who, because of health problems, financial calamities or any of a host issues, are unable to pay off their debt.

If you do not qualify for the Offer in Compromise, then the Installment Agreement may be your best option. This allows you to pay off your debt over time through manageable monthly payments.

I'm an IRS problem solver. For a free, no-risk consultation, please call my office at (972) 385-8182 | (877) 590-2500.