

# Taxing Times Newsletter



November 2019 Issue

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## ***The Thanksgiving Issue: Reality TV Stars Face Tax Evasion Charges***

### **Something to be Thankful For This Year**

Dear Friends,

We are fast approaching the bum rush of holidays starting on Veteran's Day through New Year's Eve. I know it is here as the Hallmark Channel started the flood of Christmas romances on the TV.

I won't be doing any 5k Turkey Trots or watching the Macy's Day Parade (though I will definitely fall asleep during Thanksgiving Football) and certainly not doing my shopping on Black Friday.

I will, however, enjoy introducing my son Sam to the joy that comes during the Holiday Season.

Sam, now 3 years old, has really taken to this whole holiday thing (including the food and gifts – especially the candy). While the shine may have worn off a bit for me, I thoroughly plan to help him enjoy it.

So from my family to yours, I hope you and your family

have a wonderful Thanksgiving!



### **The Stars of "Chrisley Knows Best" Reality Series Prove— They Really Don't**

Who doesn't like celebrity gossip from time to time? Todd and Julie Chrisley, the stars of "Chrisley Knows Best", and their accountant, Peter Tarantino, were indicted in August 2019 on 12 counts of tax evasion and bank and wire fraud conspiracy.

According to the indictment, the couple failed to timely file federal tax returns or pay income taxes for the period from 2013 through 2016.

In addition, the charges include defrauding several banks by obtaining millions of dollars in loans using false information provided to the lending institutions, including inflated account balances, false invoices and audit paperwork.

These tax evasion charges combined with bank fraud

also appears in Michael Avenatti's case, the former lawyer for Trump accuser, Stormy Daniels. He is also accused of not filing his taxes but offering his "tax returns" to the banks to obtain a loan.

The Chrisleys, for their part, blame a disgruntled former employee, who the couple accuse of theft, forging their signature and bugging their home, in an act of retaliation after he was fired.

The couple accuses the former employee of faking documents as part of a campaign to get the authorities to charge them with tax crimes.

Indictments do not mean that a party is guilty and so often much of what is charged falls by the wayside as facts are developed. So we will see whose version of the story prevails.

The lesson here is be careful about submitting any financial documentation to banks.

For both the Chrisleys and Avenatti, their problems

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were doubled by submitting purported tax returns to obtain a loan.

If you haven't filed your taxes yet (or at all) you should think twice before submitting it to the bank. It could mean double the trouble if the IRS gets involved.



## This Month's Question:

**Q: I have heard the IRS can take my passport if I don't pay my taxes. Is that true?**

*A: Absolutely. The IRS was given the power in 2015 to notify the State Department if you are seriously delinquent in paying your taxes.*

*Once the State Department is notified you will have 90 days before the State Department denies you a passport (if you need to renew or you applied for a passport); in more limited circumstances the IRS will request that your passport be revoked.*

*The IRS is required to notify you that it is taking the steps to have you "certified" as a*

*seriously delinquent taxpayer. You will then have an opportunity to resolve your tax debts with the IRS.*

*As bad as this sounds, you must owe over \$50,000 in taxes, interest and penalties (indexed for inflation) AND have a notice of tax lien filed against you or you have been levied. So most people will not be affected.*

*If you have a passport and owe over \$50,000 then you need to act. Otherwise, you may lose your passport or be denied a chance to renew it.*

*Our firm knows how to handle passport denial/revocation cases so call if you have questions or concerns.*



## Jim Wade's Useless Trivia of the Month – The Nuclear War and Tax Collection Edition!

- The IRS Has A Plan To Resume Tax Collection a Month After A Nuclear War!
- In 1989, the IRS updated its employee manual with information

detailing the agency's response to a nuclear war.

- According to the manual, the IRS will resume tax collection within 30 days of a nuclear attack.
- Tax collection efforts will be concentrated on collecting current taxes because the widespread destruction could make it challenging to recover previously owed taxes.

Thankfully no nuclear war (yet) so another reason to celebrate with family this year!



## Until Next Month

If you have clients with tax questions, please let me know and I can send you my **FREE** Report entitled "**IRS Resolution: What You Should Know and How to Find the Help You Need**"

*All the Best,*

*James D. Wade, Esq.*

\* **Taxing Times Newsletter** is a monthly newsletter about IRS audits and collection matters. James D. Wade, a tax attorney, is the author and editor of this paper. If you are not a subscriber, please email me at [jwade@jdwadelaw.com](mailto:jwade@jdwadelaw.com) to get added to the list.