

THE IRS TATTLER



TRAVIS W. WATKINS
TAX RESOLUTION AND ACCOUNTING FIRM

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February 2019

TINKER EMPLOYEE GETS ALL IRS PENALTIES REMOVED WITH HELP OF OKC TAX FIRM



A federal employee lost everything in a tornado, but gains a tax problem in the process. He found local relief from Travis W. Watkins Tax Resolution & Accounting Firm.

"A 61 year-old Tinker employee went to the Oklahoma City office of Travis W. Watkins Tax Resolution & Accounting Firm for tax relief recently, after the May, 2011 tornado completely destroyed his home and belongings," said Travis Watkins of Travis W. Watkins Tax Resolution & Accounting Firm.

"He withdrew substantial money early from his 401k to re-build his home and sustain the necessities of life," Watkins said. The following year, his brother-in-law prepared his 2011 tax return. However, this relative made a mistake by not including the retirement income withdrawal and penalties. By the time the IRS got around to catching his mistake in 2014, taxes, penalties and interest had ballooned to about \$18,000.00.

So, what happened here? "This is insult-to-injury. Our client got knocked down by an act of God and had to dip into his hard-earned savings. He found out the hard way that a withdrawal like this is a taxable event (and subject to a 10% IRS penalty for early withdrawal). Additionally, in many cases, the money you withdraw to live on bumps you into a higher income tax bracket. So, more tax, penalties and interest may be due," said Watkins.

Watkins relates that "this client was scared the IRS was going to take his car and keep him from work. To make matters worse, he went to a tax attorney in Norman, OK that held his case for 7 or 8 months, without doing anything. While there, penalties and interest continued to accrue and the IRS started levying his wages. This frustration compounded the fear exponentially, as the Defense Department can revoke the security clearance of employees with tax debt. Like many of our clients in this situation, he had trouble going to sleep and staying asleep at night. He could never really rest because he was worried about it all of the time."

This taxpayer saw Travis W. Watkins Tax Resolution & Accounting Firm on a television commercial and decided to give them a try. Watkins said, "we were able to diagnose all these problems using the IRS' master tax file that it keeps on all taxpayers. With our client's full participation, we were able to design a customized, actionable plan to help him remove all penalties and related interest, given the unique circumstances at play in his case. All in all, he saved about \$10,000.00, which may not seem like a lot in relative comparison to some of the ads you see on tv, but to this gentleman, it meant the world. He was very excited to put this behind him. With the additional time Travis W. Watkins Tax Resolution & Accounting Firm bought him in the penalty abatement process, the taxpayer was able to full pay the remaining balance and get on with his life. He was so excited about the result, he delivered 2 bags of hershey's kisses to his assigned case worker, as a token of appreciation."

If you have found yourself living in an ongoing IRS or tax nightmare too, don't wait until you're stuck in the middle of a major life catastrophe to take action in resolving your IRS problems! Give your local licensed tax professionals at Travis W. Watkins Tax Resolution & Accounting Firm a call to set up your FREE consultation at 866-224-3309.



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3033 NW. 63rd St
Suite 200E Oklahoma City, OK 73116

13727 Noel Rd. Tower II,
Suite 282 Dallas, TX 75240

1831 E. 71st St.
Tulsa, OK 74136

3750 West Main St.
Norman, OK 73072



www.TravisWatkins.com

CAN THE IRS COLLECT A DEBT FROM OIL AND GAS WORKERS FOREVER?

I wanted to talk a little bit about the IRS' Collection Statute Expiration date (CSED), or as we commonly refer to it in the outside world, the SOL (Statute of Limitations), what SOL were you think about? In other words, that is the last day that the IRS can come after you or your client for a tax debt.

It's actually rather complex to get the proper transcript that will tell you what your Collection Statute Expiration Date (CSED) is. The only thing you can draw from that is, that the IRS doesn't want to make it super easy for you to find out exactly when they can stop collecting from you.



The IRS DOES have limitations, which means they can't come after you for tax debt forever. With that said, I get oil and gas industry workers that come into my office and they say for instance, "Well, I haven't filed any taxes since 2008, so there is clearly no reason to right, because just like you say, the IRS has only 10 years to come after you." The Statute of Limitations (SOL) is 10 years and they think, "Well, since I haven't filed and I have laid low this whole period of time, can't I just forget about this problem?"

The answer to that is no, because the Collection Statute Expiration Date, the "CSED", that ten-year statute of limitations for the IRS doesn't begin to run against the IRS until you file and that tax has been, what they call "assessed." In other words, the IRS has processed the return, and they have sent you a bill if you owe. This criteria is what goes into this "assessment date", so it must be assessed before the "CSED", the Statute of Limitation begins to run. It is a very important thing to remember when you are trying to calculate your own Collection of Statute Expiration Date. Just remember, you have to file, they get a fair "crack at you" so to speak, within that 10-year Statute of Limitations, which doesn't begin to run, unless you file. So, just keep that in mind if you work in oil and gas.

What if I file bankruptcy? Will the SOL continue through this time period?

If you take bankruptcy, that will stop the Collection Statute Expiration Date (CSED) from running against the IRS. What that means, is that 10-year period doesn't run at all while your bankruptcy is pending. The court allows 180 days after the bankruptcy court wraps up your bankruptcy and gives you either a discharge or a confirmed plan, so keep that in mind. If you choose bankruptcy, that is going to stop the CSED from running during that period of time.

Can I just wait this thing out?

Sometimes, yes you can. Sometimes, when they only have 6 months left, I certainly advise clients, let's make a conscious effort here to certainly watch the file. We may be able to wait out some tax years and let them fall off the face of the earth with the IRS, because if the IRS didn't collect it within the time that they had to collect it, they are SOL. They don't want to have to pay damages out for coming after somebody after the Statute of Limitations has run out and if an IRS official is assigned to the case and they let the statute of limitations run out, it is not good for them. They probably would lose their job if it was in their queue and they let the Statute of Limitations just plain run. At my office, this is one of the very first things we do when we are dealing with a tax problem, is to figure out how long does the IRS have to come after the taxpayer and from that, everything just kind of falls in line.

Just make sure that you are getting with a tax professional to look at this Statute of Limitations if you have questions about that, so you are not just guessing. It is not a good thing to just let it go under the hopes that 10 years has possibly run out because again, it runs from the day that taxes are assessed and not just the day that the taxes would have been due. Do you know someone that is filing bankruptcy and unsure of their tax situation? How about whether or not the IRS is SOL? The IRS makes figuring out the CSED complex for a reason. Call us today so we can talk with you about the IRS Statute of Limitations and the exceptions at 866-224-3309.

THE QUEEN OF SOUL MUSIC

The Queen of Soul left behind not only award-winning albums but a very large tax debt, according to a new report. Aretha Franklin appears to have left almost \$8 million worth of tax debt following her death in 2018. According to court documents, Franklin owes over \$6.3 million in back taxes to the IRS dating back to 2012 and 2018. On top of her tax debt, she owes an additional \$1.5 million in penalties alone!

Her estate is claiming that they have already paid at least \$3 million in back taxes to the IRS since her death in August, after battling pancreatic cancer. The IRS is currently auditing her estate, after filing a claim in early December 2018 with the county probate court north of Detroit, MI.

"We have disputes with the IRS regarding what they claim was income. We claim it's double-dipping income because they don't understand how the business works," said her tax attorney David Bennett to the Associated Press.



JUST HOPING TO *BAKE* YOUR DAY A LITTLE BETTER.

Our Oklahoma City office had a contest to see who had the best chocolate chip cookie recipe and we want to congratulate Deborah Tackett, Case Correspondent, for her "Deb's Decadent Chocolate Chip Cookies" as being the 2019 winner. Throughout the 2019 year we will be offering these delicious cookies everyday to Oklahoma taxpayers. Tired of "tossing your cookies" over your tax issues? We've got a cookie with your name on it that you won't want to toss. So, take advantage of speaking with one of our local tax professionals by calling 866-224-3309.



IRS ANNOUNCES 2018 RELIEF FOR UNDERPAYMENT OF WITHHOLDING TAX PENALTY

IRS ANNOUNCES Withholding Tax Penalty RELIEF

The Internal revenue Service (IRS) announced on January 16th, 2019, that they are going to give some taxpayers a break for the 2018 tax year, in which the filing deadline is April 15th, 2019. Despite the recent government shutdown, the IRS announced that they are going to allow some penalty and associated interest abatement or "forgiveness", for certain taxpayers who may not have withheld enough for the 2018 tax year.

The American tax system is a "pay-as-you-go" system. For example, you must pay quarterly taxes throughout the year if you are a self-employed person and if you're a wage earner, you must withhold taxes from your paycheck and you're responsible for making sure that everything is correct in what you are withholding. If you fail to do this correctly, when the next tax year rolls around, you may owe a penalty for not paying those quarterly taxes or not withholding enough from your paycheck.

At the end of 2017, Congress passed the Tax Cuts and Jobs Act (TCJA), and there were a lot of unknowns of what exactly was included in the bill. As things progressed and we received

more direction from the IRS, we found out that the passage of the TCJA may have negatively affected the way some taxpayers withhold their earnings, or pay their quarterly taxes. This change in the middle 2018 caused some taxpayers to not withhold enough, so the IRS is giving a break to those taxpayers who were affected.

Currently, the law states that a taxpayer must withhold 90 percent of the tax that would be owed for that year and pay it in throughout the year, either through withholdings or quarterly taxes. The IRS is going to lower that amount for this year, to 85 percent. This means, that if you withheld up to 85 percent of what you're going to owe for that tax year, then you're not going to have to owe any additional penalties. If you withheld less than 85 percent, you may not take advantage of this program.

Have you missed out on the deadlines the IRS demanded? What's holding you back from resolving your IRS burden? Take advantage of speaking with one of our local tax professionals by calling 866-224-3309 to schedule your FREE consultation.

WHY AM I NOT DOING THIS?

"I can't give Travis Watkins enough praise for who he is and what he has done for me. I was at my lowest point in life, totally overwhelmed and owed the IRS a "ton" of money. The IRS kept adding penalties and interest. I knew there was not any way I could get out of this mess. I went from being very successful to having almost every aspect of my life falling apart. Taking an antibiotic destroyed my joints to the point that I became disabled & my business residual income was quickly declining. I was fighting battles in almost every area of my life and the IRS debt was a major weight that truly was giving me panic attacks.

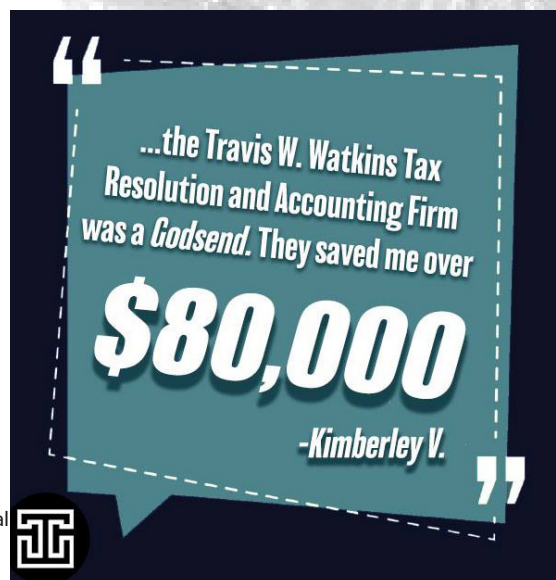
I had contacted other firms in the past that did IRS resolution, but never felt comfortable with any of them. In fact a majority of them all told me there was "not" a way out. I had paid another firm \$5,000 and they told me I did not qualify for an Offer in Compromise. I gave up on the idea for several years. However, one day in pure desperation I searched Google for hours, and when I came to Travis Watkins' website I knew he was the one I wanted to call. The day I made the call to Travis was like winning the lottery. He made the process easy and stress free.

Travis put me at ease instantly and gave me hope, something I had not had for a long time. If you are reading this you probably know the stress that goes with owing the IRS money. I use to wake up many nights with so much stress and fear. I would actually wonder if I would be in jail, picturing my grandchildren coming to visit me behind bars. There were so many times throughout the process I felt completely overwhelmed and each time I would talk to Travis all the weight and stress was gone. Being overwhelmed was only due to my own fear creeping in. I would call Travis and he had a way to make me feel everything was going to be ok. He made me feel like I was his only client.

Travis cared about every aspect of my life, as I was fighting many battles besides the IRS. I quickly realized that Travis was a man of faith. I knew he was put in my life for a reason. His actions, words and caring showed he was a true Christian. I got to this low point in my life financially due to all the areas in my life that were quickly falling apart. I didn't realize how fast things can fall apart on so many different levels. Travis was a support system for 'all' my fights, not just the IRS battle.

I know without Travis I would still be feeling buried in debt without any way out. Travis settled by debt for less than 10% of the amount due. I can now sleep at night without waking up in the middle of the night in panic mode. Hiring Travis was a Godsend. He saved me over \$80,000 and was a support system and friend. Travis is an amazing one of a kind attorney. Travis is an attorney that you would want handling all your legal issues. He did what all other attorneys and firms told me was impossible and made it happen."

-KIMBERLEY V.



Every time you see others achieving success with the IRS, do you ever wonder, why am I not doing that? Those succeeding aren't necessarily different than you. So, why them and not you? It starts with a simple call today to schedule a free consultation with Travis W. Watkins Tax Resolution & Accounting Firm at 866-224-3309.



TRAVIS W. WATKINS
— TAX RESOLUTION AND ACCOUNTING FIRM —

1-866-224-3309



IRS

FREE CONSULTATION! CALL NOW!

THE IRS TATTLER

3033 NW. 63rd St.
Suite 200E
OKLAHOMA CITY, OK 73116

13727 NOEL RD TOWER II
SUITE 282
DALLAS, TX 75240

1831 E. 71ST ST.
TULSA, OK 74136

3750 WEST MAIN ST.
NORMAN, OK 73072

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DAY ♥

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"WE PROVIDE TROUBLED TAXPAYERS WITH A CUSTOMIZED, ACTIONABLE PLAN TO FILE OLD RETURNS, NEGOTIATE WITH THE IRS AND STOP IMMEDIATE THREATS TO THEIR LIVELIHOOD, SO THEY CAN GET A GOOD NIGHT'S SLEEP AGAIN."

2018 Tax Returns

Income Tax Season is upon us! We are a Full-Service tax resolution and accounting firm and have a team of Attorneys, CPAs and Enrolled Agents to answer all your tax questions.

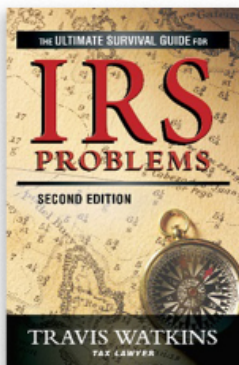
To meet the filing deadline for business returns please give our office a call by February 15th, 2019 and personal returns by March 15th, 2019. If you do not meet the deadline. Call our office to file an extension for a \$50 fee.

We have the most competitive prices in the market for an accounting firm with lawyers on staff.

- \$300 basic 1040 (Most W-2 returns)
- \$500 1040 with schedule C (Most 1099 Self-employed small business owners) profit and loss statement provided by client
- \$500 Business tax returns (most 1065/1120/1120S) Profit and loss statement provided by client

We appreciate your business and look forward to taking care of all your tax needs. Please feel free to contact us at 866-224-3309 to get started today or need additional information.

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DEADLINES:

February 11, 2019-Employees who work for tips. If you received \$20 or more in tips during January, report them to your employer. You can use form 4070.

February 15, 2019-Individuals. If you claimed exemption from income tax withholding last year on the Form W-4, Employee's Withholding Allowance Certificate, you gave your employer, you must file a new Form W-4 by this date to continue your exemption for another year. **All businesses.** Give annual information statements to recipients of certain payments you made during 2018.

February 28, 2019-All Businesses. File information returns for certain payments you made during 2018

STAY UP TO DATE:

Stay up to date (live) with the latest tax information from Travis himself, search Travis W. Watkins Tax Resolution & Accounting Firm and follow us today!

To follow all news stories about the IRS/tax news stories throughout all platforms (TV, Tax Tip Tuesday, Press Releases, etc.) be sure to subscribe to our YouTube channel and don't forget to click the notification bell for all of our latest updates.

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