IRS Help, News, and More

THE IRS TATTLER

8th Edition
June 2018

Is the IRS Holding Your Security Clearance?

If you have a tax problem, it will not get better with age. In fact, the longer you wait, the more penalties that may apply. If that's not enough of a concern, it can also cost your job-or keep you from getting hired. You could also be denied access to government facilities.

Security Clearance
More than 5 million Americans have jobs that require a security clearance. You can be denied security clearance because of a tax lien or other tax issues.

Military and Civilian Contractors are at risk, as are government jobs with access to security or sensitive information. Air Traffic Controllers, jobs related to Homeland Security or Intelligence Agencies, Law Enforcement, and more may be affected. Many jobs in the Aerospace industry, Research & Development, Tech sector, and other companies that do business with the government may also require clearances.

If one of these situations applies to you, and you have tax debt, liens, or concerns about your situation, talk to a qualified tax attorney before it becomes an issue.

Half Of All Denials Are Due To Debt Issues
You may think being denied a security clearance due to tax debt is a rare occurrence. It's not.

A Defense Office of Hearing and Appeals (DOHA) review determined that nearly 50% of security clearance denials involved debt issues. While federal law doesn't specifically forbid someone with tax debt from getting clearance, the regulations offer a warning:

"An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds."

Reclass Or Review
It's not just a concern when applying for work. Even if you have clearance, there are periodic reviews depending on the level of clearance you have. If a tax problem shows up in a reinvestigation period, you may lose your clearance and your job.

Tax Debt Can Lead To Tax Liens
When you don't pay your taxes, the IRS may file a lien against your assets. If your tax debt is greater than $10,000, the IRS can place a lien against you automatically. It's the government's way of protecting their interest in the legal debt by attaching a lien against your property.

A tax lien can mess up your credit (not your credit score), prevent you from getting loans and mortgages, and prevent you from getting certain licenses, credentials, and security clearance. In some instances, the government can garnish your wages and seize/sell your property.

Under federal law, unpaid tax liens can stay on your credit report forever until you settle up.

You Can Overcome Your Tax Debt And Liens
There's a provision in the statue that recognizes a "Good Faith Effort" to resolve your debts. A tax attorney may be able to negotiate on your behalf to meet this good faith threshold and allow for security clearance by showing the problem is being resolved and unlikely to recur.

There's also a "Fresh Start" initiative, which includes procedures to remove the lien before it's fully paid under certain circumstances, including a qualified debt repayment plan. It's a complicated program and your best bet is to get help from a qualified local tax attorney. Call Travis W. Watkins Tax Resolution and Accounting Firm today for your Free consultation at **800-721-7054** or visit **TravisWatkins.com** for more information.

TRAVIS W. WATKINS
TAX RESOLUTION AND ACCOUNTING FIRM

In This Issue:

**2837 NW 58th St.
Oklahoma City, OK 73112
405.607.1192**

**13727 Noel Rd. Tower II,
Suite 282 Dallas, TX 75240
972.778.8200**

**1831 E. 71st St.
Tulsa, OK 74136
918.877.2794**

**3750 West Main St.
Norman, OK 73072
405.607.1193**

"My tax problem would've taken another few years if you wouldn't have taken charge!"
— Josh L., OKC, OK

www.TravisWatkins.com

FILED A TAX EXTENSION?

APR 17 → OCT 15

So far in 2018, more than 141 million tax returns have been filed according to the Internal Revenue Service. Not everybody has done so, however. Those number of people filing their taxes late, or filing extensions to push back the filing date, has risen dramatically in the last decade.

In 2009, 10.25 million people filed for an extension and 5.5 million businesses. By 2017, that number had jumped to 13 million. This year, a record number of people asked for extension, nearing 20 million! Even President Donald Trump filed for an extension this time around.

Automatic Extension

The IRS will grant an automatic extension of up to 6 months for anyone that asks for one prior to the normal filing deadline. You don't even need to explain why.

Filing an extension does not, however, delay paying. If you owe money, you're required to pay it by the normal filing date. If you wait, or get the amount wrong, you'll be charged interest-and possibly penalties-for delaying. These can add up very quickly. The IRS currently charges four percent interest that is compounded daily. The late-payment penalty is typically 0.5% per month.

Filing for an extension is always a better bet than failing to do so, or filing late. The IRS says the late filing penalty can be 10 times as costly as the penalty for not paying.

Don't take a chance, always hire a tax attorney that deals with the IRS on a regular basis.

Extensions Will Delay Your Refund

There may be legitimate resons for getting an extension, including waiting on paperwork or complicated tax situations. If you are one of the 83% of Americans that file taxes that will get a refund, filing for an extension will only delay getting your tax dollars back.

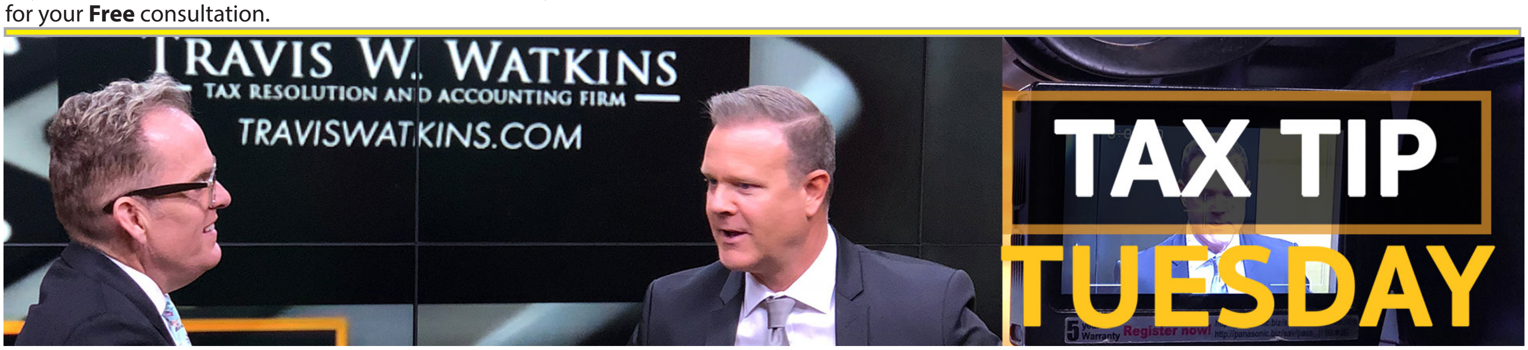
What If You Can't Pay?

You're still on the hook for tha payments and penalties. It doesn't get any better with age.

You may be eligible for an installment program. The IRS may be willing to work with you to set up a fixed monthly payment. If you and the agency both agree that it would not be possible for you to pay the taxes owed and also pay for your living expenses, they have the option of designating your account as "Not Currently Colelctible." Wile they will not collect payments during this time, penalties and interest still accrue.

In any of these cases, you need to work with a professional tax attorney that deals with the IRS regularly. They know the rules and where the IRS may have some flexibility, they are more likely to get the best possible outcome.

We understand the stress that encompasses dealing with tax filing. Complex tax situations will benefit greatly from tax legal expertise. Our team of Attorneys, CPAs, and Enrolled Agents are here to answer all your tax questions. Call Travis W. Watkins Tax Resolution and Accounting Firm now at **800-721-7054** for your **Free** consultation.



Have more questions about your tax issues? Watch Travis W. Watkins on Fox25 Living Oklahoma for his program "Tax Tip Tuesday". You can watch the full episodes on TravisWatkins.com in case you miss the TV broadcast that aires Tuesday mornings from 9am-10am. Can the IRS take your house and send you to jail if you owe? What is the #1 thing we recommend for someone who can't pay their tax bill? What do you do if you are being denied or losing security clearance for IRS problems? These are some of the top questions that we answer in our program.

Remember you are entitled to representation against the IRS' tactics and intimidation. Travis W. Watkins Tax Resolution and Accounting firm handles all the negotiations and conversation with the IRS in the process so you don't have to! Call now for your **Free** consultation at **800-721-7054** or visit **TravisWatkins.com.**

Cardi B Does Make Money Moves

Cardi B is a reality TV star who broke out last year with her hit song "Bodak Yellow" topping the charts at No. 1. It's clear that she made a lucrative career for herself. So much so rapper Cardi B went on an angry rant through social media in March, asking the government where her tax money is being spent. She stated, "So you know the government is taking 40% off my taxes and Unlce Sam, I want to know what you do with my tax money because, you know what I'm saying like, when you donate to a kid from a foreign country, they give you updates of what they're doing in another nation."

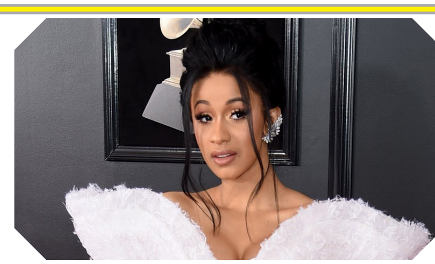


Photo:"Cardi B is expecting her first baby". https://www.rte.ie/entertainment/2018/0410/953438-cardi-b-cancels-longitude-
Article: (2018). Cardi B posted an explosive rant demanding to know what the government is doing with her tax money: 'I want receipts'. [online] Business Insider. Available at: http://www.businessinsider.com/cardi-b-calls-out-government-tax-money-2018-3 [Accessed 23 Mar. 2018].

Meet Our Team

-Danielle Brand, Managing Attorney

Danielle Brand is Managing Attorney at Travis W. Watkins Tax Resolution and Accounting Firm. Danielle grew up in the small town of Alex, OK. After graduating from Alex High School, she attended Northwestern Oklahoma State University in Alva, OK. While at Northwestern, Danielle participated in the President's Leadership Class, Northwestern Scholar Ambassadors program, and Alpha Sigma Alpha sorority. After graduation from NWOSU, Danielle attended law school at the University of New Mexico Law School in Albuquerque. While at UNM, Danielle participated in the business and tax law clinic where she developed a passion for tax law.

After graduation, Danielle returned home to Alex, OK and worked for a local copier company until 2015. Since 2015, Danielle has been practicing tax law in Oklahoma. She was awarded the Women in Law award for Tax Controversy in 2018.

In her spare time, Danielle enjoys hunting, fishing and spending time with her family. She particularly enjoys spending time with her two nephews, Henry and Bennett. Danielle lives in Chickasha, OK with her Beagle Stryker.

In June of 2018, Oklahoman's are set to vote on State Question 788. This ballot initiative is set to legalize marijuana in the state. This is a huge move for the state, as there are already 29 states that currently have laws in place legalizing the use and sale of medical marijuana.

With this upcoming vote, many people have questions related to taxes and the business of marijuana. If you are one of the many, learn more here:

Can You Claim Medical Marijuana Expenses on Your Yearly Taxes?
Medical marijuana is still considered illegal on a federal level. This means the ability to claim it as a deduction, along with related marijuana expenses is still impossible. However, on a state level, this isn't as black and white. While it may be possible to claim marijuana expenses on your taxes at the state level, it may not be worth the hassle. The best way to know for sure is to hire an accountant to help.

What if Oklahoma has a High Tax on Marijuana?
Currently, if the law is approved in Oklahoma, the marijuana sales tax will be established at a rate of seven percent of the gross amount that is received by the seller. This is not considered high and isn't enough to cover the administrative and social services costs, as some states have traditional tax rates that are higher than this on various products, not just marijuana.

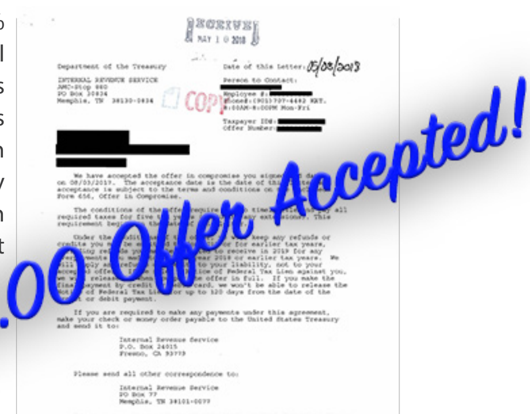
Sales, Excise, and Wholesale Taxes
The sales tax mentioned above will be put in place, with the excise and wholesale taxes to be detemined if the law is put into effect. If the state follows predecessors, such as Colorado and Washington, excise tax may be around 37 percent. However, this is yet to be seen, as the law hasn't officially been passed.

How to Handle Taxes on Marijuana Expenses
Due to the complexity of the tax issues related to medical marijuana tax issues, it's best to work with a professional accountant to ensure everything is handled properly. Failure to take the right steps can lead to several issues and isn't something you should be willing to deal with, as the penalties can be steep.

Finding the right accountant is the best way to ensure that you handle everything properly. Keep in mind, not all accountants will be qualified to handle these issues, as the law is new, and the tax related concerns have only recently been put in place. Being informed and having professional assistance is the best way to ensure the highest quality results are achieved. Surround yourself with trusted and reliable professionals who can assist you with this development as well as staying compliant. Call Travis W. Watkins Tax Resolution and Accounting Firm for your **Free** consultation at **800-721-7054** or visit **TravisWatkins.com**

A client of ours was down on his luck and ran into financial hardship. He didn't know how he was ever going to get out of the hole that he was in. He ran into financial turmoil after he was paying for his (at the time) wife's advanced education. Once the IRS got wind of his tax liabilty they issued him a tax burden of an outstanding amount of $118,289.19. we were able to successfully negotiate an Offer in Compromise and lower his insurmountable debt to just $50!

Uncertainty about your future may be mounting as you try desperately to find a way to pay a debt that you have little or no funds to cover. Having the feeling of being underrepresented is a struggle of itself. We are here to get your life back on track with the IRS and are 100% devoted to having you feel stress-free with resources for the future. Call Travis W. Watkins Tax Resolution and Accounting Firm today for your **Free** consultation at **800-721-7054** or visit **Traviswatkins.com**.



$50.00 Offer Accepted On $118,289.19 Liability!

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2837 NW 58TH ST.
OKLAHOMA CITY, OK 73112

13727 NOEL RD TOWER II
SUITE 282
DALLAS, TX 75240

1831 E. 71ST ST.
TULSA, OK 74136

3750 WEST MAIN ST.
NORMAN, OK 73072

TRIVIA QUESTION:

The IRS received more than 146 million individual income tax returns this year. How many were filed electronically?

A)59,769,000 B) 33,691,000 C) 44,011,726

PREVIOUS QUESTION/ANSWER:

When did the first US income tax start?

A) 1898

DEADLINES:

•June 15: 2nd Quarter 2018 Estimated Tax Payment Due

If you are self-employed or have other second-quarter income that requires you to pay quarterly estimated taxes, make sure your payment is post-marked by June 15, 2018 tax deadline.