

THE IRS TATTLER

Information
 Hackers
 Crime
 Attack
 Computer
 Groups
 Service
 Identity
 Network
 Cyber
 Theft
 Internet

Tips to Protect Against Identity Theft

Tax-related identity theft happens when someone uses another person's stolen Social Security Number or Employer Identification Number to file a tax return to obtain a fraudulent refund. The IRS will let you know if someone has already used their Social Security Number to file. You usually find out when you submit your returns.

The IRS has been working delingantly to stop millions of dollars from getting into the wrong hands of thieves. Check about these eight simple tips to fight back.

1. TAXES. SECURITY. TOGETHER-In 2015 the IRS launched the Taxes.Security. Together awareness campaign. This needs to inform people about ways to protect their personal, tax and financial data.
2. PROTECT PERSONAL AND FINANCIAL RECORDS.-The only time you should provide your Social Security Number if it's necessary. You should never keep your Social Security Card in your wallet or purse.
3. DON'T FALL FOR SCAMS- Criminals hoping to steal personal data often try to impersonate banks, credit card companies and even the IRS. The IRS will never call a taxpayer threatening a lawsuit, arrest or to demand immediate payment. If someone claiming to be from the IRS calls, BEWARE it is a scam!
4. REPORT TAX-RELATED ID THEFT- If someone filed using your SSN you should:
 - File a tax return by paper and pay any taxes owed.
 - File an IRS Identity Theft Affidavit (include with your tax return).
 - File a report with the FTC Complaint Assistant.
 - Contact the SSA at www.ssa.gov and search "identity theft".
 - Contact financial institutions to report identity theft
 - Contact one of the three credit bureaus so they can place a fraud alert on the account
 - Check with state tax agency for additional steps
5. IRS LETTERS-If the IRS identifies a suspicious tax return with a taxpayer's stolen SSN, that taxpayer may receive a letter asking to verify their identity by calling a special number or visiting an IRS Taxpayer Assistance Center.
6. IP PIN-The IRS may issue an IP PIN if a taxpayer is a confirmed ID theft victim. This six-digit number is used to e-file their tax return. Each year, you will receive a new IP PIN.
7. REPORT SUSPICIOUS ACTIVITY-If you suspect or know of an individual or business that is committing tax fraud, report it at IRS.gov.
8. SERVICE OPTIONS-Tax-related identity theft information is available online. www.IRS.gov has a special section devoted to identity theft.



TRAVIS W. WATKINS
 TAX RESOLUTION AND ACCOUNTING FIRM

In This Issue:

- Identity Theft
- Amnesty Program
- Testimonials
- Save the Date
- Classification Issue
- Shareholder's Liable

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

13727 Noel Rd. Tower II,
 Suite 200 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

Radio Show
Saturdays at 9:30am



STATES EYE AMNESTY PROGRAM FOR AMAZON SELLERS

Accountants and tax professionals should advise any clients who engage in "marketplace sales" through Amazon or other online marketplaces that there will be a short-lived amnesty period during which they can come into compliance with state sales tax laws.

With Amazon warehouses spreading across the country, states are eyeing the concept of "inventory nexus" as a means to get at their share of sales tax from the more than \$1 trillion generated annually by marketplace sellers.

Retailers participating in marketplaces may be required to pay sales taxes in more states because of where their goods are stored. This voluntary disclosure program, or amnesty, that would be in effect for 60 days from Aug. 17, 2017. Seventeen states are planning to join the program, with the objective of enticing remote sellers to begin collecting sales and use tax.

The participating states are Alabama, Arkansas, Colorado, Connecticut, Idaho, Iowa, Kansas, Kentucky, Louisiana, Nebraska, New Jersey, Oklahoma, South Dakota, Texas, Utah, Vermont, and Wisconsin.

These states will consider applications for voluntary disclosure received by the MTC staff during the period Aug. 17, 2017 through Oct. 17, 2017. The taxpayer may choose which state and which tax type (sales/use tax, income/ franchise tax, or both) to seek relief for. The taxpayer can also withdraw the application with any time prior to implementation of the voluntary disclosure agreement.

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Cyber Monday 2016 at Amazon Fulfillment Center (GreekWire Photo/Kevin Lisota)

TESTIMONIALS:

"Due to life stumbles I found myself in a rather precarious situation with the IRS. After fretting over how to correct my errors for many months. I had heard a radio commercial for the Travis Watkins Tax Office. I scheduled an appointment and met Joey Akbar. I found his knowledge and advice to be spot on. During our meeting he pointed out several avenues to help me through this trying time of my life. After our meeting I felt that a huge weight had been lifted from my shoulders. Very knowledgeable staff. I would highly recommend in the vise of Government Revenue Collectors."

Michael, Checotah, OK

SAVE THE DATE

SEPTEMBER 15, 2017

3RD QUARTER 2017 ESTIMATED TAX PAYMENT DUE
IF YOU ARE SELF-EMPLOYED OR HAVE OTHER THIRD-QUARTER INCOME THAT REQUIRES YOU TO PAY QUARTERLY ESTIMATED TAXES, MAKE SURE YOUR THIRD QUARTER PAYMENT IS POSTMARKED BY SEPT. 15, 2017 TAX DEADLINE.

OCTOBER 16, 2017

EXTENDED INDIVIDUAL TAX RETURNS DUE
IF YOU GOT A FILING EXTENSION ON YOUR 2016 TAX RETURN, YOU NEED TO GET IT COMPLETED AND POSTMARKED BY OCTOBER 17, 2017

MEET OUR TEAM



Joey Akbar is an Enrolled Agent and Tax Accountant for Travis W. Watkins Tax Resolution and Accounting Firm. He is an Oklahoma native born and raised in small town Chandler, Oklahoma where he values the importance of having roots

and developing strong lifelong connections. After high school Joey attended the University of Central Oklahoma and earned his Bachelors in Finance and later earned a Masters in Accounting. He comes from a family of Accountants including his father, sister, uncles and cousins and he feels that numbers are just born into his blood.

Having owned a retail clothing store for several years in Oklahoma City and a 2nd location in Tulsa he quickly learned the struggles of owning a small business and dealing with day to day operations and taxes.

Today he enjoys passing on his knowledge and helping the clients of the firm with their personal and small business taxes. Joey takes great pride in the work he does and when he is helping a client he puts himself in their shoes and works hard to get their lives back on track. Outside of the office you will find Joey spending time with his boys Preston and Cole who are 16 and 12.

MISCLASSIFICATION CONTINUES TO BE A MAJOR PROBLEM

Independent contractors

21.1

Moonlights

14

Diversified workers

9.3

Temps

5.5

Freelancers Union; "Freelancing in America" Study

Freelance business owners

2.8

Due to many employers not properly classifying their workers to the Internal Revenue Service and State taxing authorities, they are constantly dealing with this type of issue.

Avoiding labeling their workers as employees, employers also avoid paying minimum wages, overtime, payroll taxes, worker's compensation, unemployment, Social Security contributions, health benefits, paid leave, 401(k) benefits and unpaid leave under the Federal Family and Medical Leave Act. Workers labeled as independent contractors, such as the ability to

deduct certain business expenses that are not subject to employees, such as vacation pay, overtime pay and health insurance.

It's easy to make a mistake classifying whether a worker is an employee or an independent contractor. Accountants may be unfamiliar with the distinction, and if the IRS or Department of Labor comes in and disputes the decision to label them as independent contractors, they can land in trouble.

If a business is responsible for the taxes it failed

to withhold, plus interest and penalties over the years the misclassification was claimed.

The potential consequences of a misclassification can be dire. The employer can file form 8952, Application for Voluntary Classification Settlement Program, which the IRS will do an eligibility check and prepares a closing agreement. The taxpayer signs it and sends it back with the amount owed, and begins treating the workers in question as employees

MINORITY SHAREHOLDER LIABLE FOR FIRM'S UNPAID TAX DEBT

Two shareholders are left with a major tax debt. Mr. Kardash and Mr. Robb recently got hammered from the IRS trying to collect a mere \$5 million of the \$120,000,000 in tax, interest and penalties. The IRS had the idea that money that should have gone to pay an entity's taxes that goes to somebody else can be recovered from that somebody else in some circumstances.

The IRS did not go after the salaries of the

gentlemen, but did go after two other types of payments. They had been receiving bonuses and once the bonuses halted in 2003, they received advances. However, they did not reflect that income when filing. Later, they were audited and settled the debt with the IRS. Then there were the dividends. Mr. Kardash and Mr. Robb were minority shareholders and entitled to their share. Mr. Kardash received over \$3.5 million and Mr. Robb received nearly half a million.

The tax court ended up deciding that the advances were really compensation. Since the dividends were the larger amounts it seems that the IRS will be recovering much of the \$5 million they expected.





OPEN ME

I DON'T HAVE HANDS, BECAUSE I'M A NEWSLETTER!

THE IRS TATTLER
2837 NW 58TH ST.
OKLAHOMA CITY, OK 73112

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SUITE 200
DALLAS, TX 75240

1831 E. 71ST ST.
TULSA, OK 74136

3750 WEST MAIN ST.
NORMAN, OK 73072

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“BECAUSE IRS PROBLEMS DON'T GO AWAY ON THEIR OWN.”
-YOUR IRS WEAPON, TRAVIS W. WATKINS

TRIVIA QUESTION:

WHO HAS THE BIGGEST INCOME TAX BILL?

- CHEVRON
- APPLE
- EXXONMOBILE

PREVIOUS QUESTION/ANSWER:

IS THE MONEY YOU PUT IN A ROTH IRA PRE-TAX OR POST-TAX?
B) POST-TAX

ABOUT US:

TAXHELPOK IS AN IRS RESOLUTION AND ACCOUNTING FIRM DEDICATED TO HELPING LOCAL TAXPAYERS WITH THEIR IRS PROBLEMS.

OUR MISSION IS TO PROVIDE FOR OUR CLIENTS: 1) RELIEF-RE-LIEF/NOUN. IMMEDIATE, TEMPORARY HELP DURING AND AFTER CRISIS; AND 2) RESTORATION-RES-TO-RA-TION/ NOUN. A LONG-TERM RELATIONSHIP TO REBUILD WHOLENESS

TAXHELPOK PROMOTES THESE VALUES THROUGH A CHRIST-CENTERED WORLDVIEW, REALIZING OUR IMPERFECTIONS BUT FOCUSING ON THE ONE WHO IS PERFECT.

WE WANT YOU TO KNOW: YOU DON'T HAVE TO DO IT ALONE....IT'S OUR CALLING,,,,IT'S OUR PASSION,,,,IT'S MORE THAN WHAT WE DO.

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