

Tax Resolution Times

“Read About Taxpayers with IRS Problems & Find Out How to Solve Them”



INSIDE THIS ISSUE:

Restaurant Owner’s Tax Fraud Results in Lunch Behind Bars...1

From Filling Cavities to Filing False Tax Returns ...Page 1

Private Banker Embezzles Over \$4 Million from Clients’ Accounts...Page 2

Weed it and Weep – IRS Nabs Pot Growing Minister...Page 2

Thank You!...Page 2

Numbers Don’t Lie, But this Accountant Did ...Page 3

CEO Pockets Over \$3 Million in Payroll Taxes, Goes to Prison...Page 3

Client of the Month...Page 3

Did You Know...Page 4

Trivia Contest...Page 4

IRS Question Answered...Page 4

QUESTION

What do accountants call their children?

Answer
Deduction 214

Restaurant Owner’s Tax Fraud Results in Lunch Behind Bars

John Drivas, the owner of three popular restaurants, is trading his apron for prison stripes for dodging employment taxes and skimming state meals taxes.

Drivas operated Red’s Sandwich Shop and Red’s Kitchen and Tavern in Massachusetts and Red’s Seabrook in New Hampshire. As the sole or majority owner of these establishments, Drivas paid employees \$1,496,417 in under-the-table wages from January 2017 to June 2022, avoiding \$439,000 in employment taxes.

Drivas also collected but failed to remit over 1.5 million dollars in Massachusetts “meals taxes.” These taxes include the state’s 6.25% sales tax and a 0.75% local meals tax. They were collected from customers but were never paid to the state.

Drivas’s attorney argued for no prison time or home confinement, claiming that a jail sentence would cause “catastrophic impact” on his employees, and that the crimes were committed not for greed but to keep the businesses afloat and his many employees working. Prosecutors noted that Drivas initially did not cooperate with the investigation and lied to IRS agents.

He was sentenced to one year and one day in prison, ordered to pay restitution of \$1,596,775 to the state of Massachusetts, \$439,341 to the IRS, and fined \$20,000.

From Filling Cavities to Filing False Tax Returns

The owner of a management company that operated two family dental practices in Michigan pleaded guilty to tax evasion and faces up to five years in prison.

Prior to 2016, Kerry Heuhs was audited and IRS agents determined that he reported personal expenses as business expenses and failed to report income on his personal returns. More recently, Heuhs admitted in court that after the audit, between 2016 and 2021, he continued to mischaracterize personal expenses for business expenses and underreported joint taxable income that he and his wife earned from the business. He also admitted to overstating deductions on his business tax returns.

In addition to the prison sentence he will owe restitution to the IRS.

Private Banker
Embezzles Over \$4
Million from
Clients' Accounts

William Garrow, a former Vice President and Private Banker at BOK Financial Securities, was charged with embezzling over four million dollars, bank fraud, and falsifying a tax return.

Between 2012 and 2024, Garrow transferred money from at least 16 client accounts without consent, using wire transfers and cashier's checks payable to himself. He deposited the funds into accounts he controlled at other financial institutions.

To cover his tracks, Garrow blamed accounting errors on the bank and on occasion used money stolen from one client to replace money he stole from another client's account.

As a financial advisor, Garrow's position required him to provide investment and banking services to wealthy clients. Instead, he embezzled a total of \$4,277,227.99 from those clients in order to fund his lifestyle. He faces prison and restitution to the IRS and BOK Financial.

Weed it and Weep
IRS Nabs Pot Growing Minister

Steven Shirley, an Oregonian who moonlighted as a minister, will soon be preaching from behind bars. Shirley was sentenced to 24 months in prison for running unlicensed marijuana operations and dodging the IRS with false tax returns.

Shirley began purchasing properties in Oregon in 2012, as president of a supposed nonprofit, Earth Peoples Park (EPP). By 2019, he co-owned 21 properties and earned over \$400,000 annually from leases. In 2019, law enforcement seized 15,000 marijuana plants and nine firearms across 16 of Shirley's properties, some of which sprawled onto federal Bureau of Land Management property. Shirley was also caught directing staff to grow, harvest, and sell the marijuana.

IRS agents found that EPP was less of a church and more of a for-profit business, with Shirley underreporting one million dollars in income between 2015 and 2018. After Shirley pled guilty, prosecutors were quoted as saying he was, "no spiritual leader."

Following his release, Shirley will face five years of supervised probation and pay \$290,291 in restitution to the IRS and \$12,896 to the Bureau of Land Management for environmental damage caused by growing marijuana on public land.

Thank you!

Thanks to YOU the word is spreading. Thanks to our clients and friends who graciously refer us to their friends, clients and relatives. We enjoy building our business based on the positive comments and referrals from people just like you.

We just couldn't do it without you.

This month we would like to thank Matt L. for referring us to his clients. Matt has a solid reputation in the local business community, and his clients listen to him. We really appreciate it, Matt.

Numbers Don't Lie But this Accountant Did

Jason Jerkins, a CPA from Tennessee, was indicted for wire fraud, money laundering, and tax fraud.

Jerkins was the owner of a company that provided tax preparation, bookkeeping and payroll services, and used access to his clients' bank accounts to steal more than \$3,900,000. Between 2020 and 2024, he stole funds by initiating over 400 fraudulent wire transfers from his clients' accounts into accounts he controlled.

He used QuickBooks to mask fraudulent transactions with descriptions like "Intuit" or "Jerkins Business Sol," to make the withdrawals appear as legitimate business expenses. Jerkins used the stolen funds for personal expenses, including purchasing a residential property in September 2023.

When confronted by his clients, Jerkins provided fake documentation to make the withdrawals appear legitimate. To cover his tracks in one particular case, he repaid a client using stolen money from another client's account. To further deceive the IRS, he filed false tax returns for at least two clients, creating fictitious deductions and false business expenses.

He faces up to 20 years in prison for wire fraud, 10 years for money laundering, and three years for each false tax return, and risks forfeiting the ill-gotten property.

CEO Pockets Over \$3 Million in Payroll Taxes, Goes to Prison

Belinda Jo Juarez, the majority owner and CEO of a health care company with several branches in Texas, was sentenced to 36 months in prison for embezzling employee health insurance premiums and not paying over payroll taxes.

Between August 2017 and March 2018, Juarez deducted and collected \$139,799 in health insurance premiums from employee paychecks that she kept for personal use. When policies were cancelled due to non-payment, employees were not informed and some faced hefty medical bills as a result.

Between 2016 and 2019, Juarez also pocketed more than three million dollars in payroll taxes meant for the IRS.

In addition to the prison sentence, Juarez was ordered to pay restitution of \$617,738.65 to employees and \$3,667,098.88 to the IRS for unpaid payroll taxes. She was also fined \$20,000 and will be on supervised release for three years after serving her sentence.

Are You Our Next Client of the Month?

Every month we choose a very special *Client of the Month*. It's our way of acknowledging good friends and saying "thanks" to those who support us and our business with referrals, word of mouth and repeat business.

This month's *Client of the Month* is James H. who had several years of unfiled tax returns. We prepared those returns for James by helping him find old tax information and making some educated estimates where records no longer existed. He came to us needing to get into IRS compliance, and now he is. He is very grateful to be a normal taxpayer again.

You might be our next *Client of the Month*. Watch for your name here in an upcoming month.

Did You Know?

The first record of taxation was found in ancient Egypt, where the pharaoh collected the equivalent of a 20% tax on grain harvests.

Thank you for the Kind Words...

Mark Riddle was kind and listened to my story before investigating what the IRS was doing. After he got the facts, he suggested the best way to solve my tax problem. I agreed and now can sleep at night. My spouse is also much happier now.

Jane C.

We'd Like to Hear From You!

If you have an IRS issue, or just want to refer a friend, relative or client, we'd love to hear from you. We can provide a no-obligation confidential consultation to help you solve your IRS problems.

Enter Our Trivia Contest for a Chance to Win a \$250 Transferrable Gift Certificate!

Take the Trivia Challenge to win!

Each month, we'll give you a new trivia question. The first **THREE** people who call our offices with the correct answer win a free \$250 reduction on any IRS service we provide. Your prize is also transferrable, so use it for yourself or give it to a family member or friend. Take your best guess and call us at 615-395-5888.

This month's question is....

Which two US states officially received statehood on Valentine's Day, February 14?

- | | |
|------------------------------|------------------------------|
| a) Oregon and Arizona | c) Michigan and South Dakota |
| b) California and Washington | d) Florida and Mississippi |

Call today at **615-395-5888**

Your IRS Questions Answered Here...

Question: *The IRS is hounding me, sending me notices and won't leave me alone, so I've finally decided to seek help from a Tax Professional who specializes in IRS problem resolution. I want to start getting my paperwork together for the initial appointment; what will I need to bring with me?*

Answer: It's very important to have certain documentation with you for the initial interview. Your tax resolution specialist will need this info to preserve your rights, protect your income and assets and to determine the best way forward to resolve your case. Some items to have in front of you include:

- The most recent IRS/State tax notices and collection notices.
- The latest filed income (1040) tax return if you have one.
- A monthly household cash flow budget (list all outflows and inflows of money)
- Your most recent paystubs with YTD info verifying income from all sources and all withholdings and payroll deductions.
- If you are self-employed, an independent contractor, or small business owner, prepare a "rough draft" of your current profit and loss. If this is not possible, just bring your Schedule C from your most recently filed 1040.
- A list of any quarterly estimated tax payments made, if any, for the current year

The information above will help determine which IRS debt settlement program your eligible for, including settling with the IRS for a fraction of what you owe, if you qualify.

We at *Tax Solution Expert* are experienced at navigating the IRS maze and will customize a resolution plan to fit your individual needs to help you permanently solve your IRS Problems. **Call us today at 615-395-5888 for a free confidential consultation.**