



December 2, 2010

Getting in Trouble with the IRS and the Law

Tax Fraud and Hoax Calls Land Man in Jail

Nicholas Barbati, 22 of Daytona Beach pleaded guilty to 3 counts of making bogus calls to the US Coast Guard in August. On November 14, 2008 Barbati called the Coast Guard to report an inbound threat to the space shuttle Endeavor which was about to be launched. Claiming to be a Coast Guard officer, Barbati said he spotted the threat two miles out at sea. In addition, the day before that, he called the US Coast Guard Headquarters in Washington D.C. to report that his 32 foot yacht with '10 souls' onboard was stricken and taking in water about 3 miles offshore from Fire Island, N.Y. according to officials.

In October Barbati pleaded guilty to another crime. This time it was filing false claims with the IRS when he filed income tax returns for prostitutes working in his Internet escort services which he operated from his house.

For his crimes, the US Attorney's Office in the Middle District of Florida said Barbati was ordered to pay more than \$117,000 to the US Coast Guard and more than \$92,000 to the IRS. The court also sentenced Barbati to 4 years in a federal prison.

IRS Files Lien on Property of Kelly Rowland

Singer Kelly Rowland, formerly of the group Destiny's Child is in trouble with the IRS for failing to pay almost \$100,000 in taxes. As a result, the IRS has filed a tax lien in the New York Register on property owned by the singer.

The total amount of tax debt against Rowland is \$98,634. The singer has not made any comments on this issue.

Rowland's music career blossomed when she was a member of the popular group, Destiny's Child. When she later went solo, Rowland encountered some bad results in her career but she saw through it and subsequently found success as she switched from R&B to dance music. She was assisted in this change by David Guetta.