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Take The Amenity Deal Rather Than Go “ALL-IN”

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Since the indictments of the principals of three U.S. facing real money poker sites and the filing of a parallel civil forfeiture action against the three sites there has been some discussion about whether the players who have had accounts at these offshore sites face criminal or civil tax charges. The bet on the part of some players, who may not have reported net winnings is that the [IRS](#) is too busy to mess with poker players. Or, that they will never be found. No one has ever mentioned the possibility of state actions for under reporting income. The risk of prosecution by the IRS may be small, (for example there are less than 2,500 federal criminal tax cases tried each year) but the risk of discovery is substantial. The safe bet is to take advantage of the Offshore Voluntary Disclosure Initiative (OVDI) currently being offered by the [IRS](#). The program expires August 31, 2011 and there is no similar program offered by any of the states. But, the state risk of prosecution may be slight if someone enters the OVDI and files amended returns and pays the appropriate state tax.

Some people may argue that the OVDI does not apply to on-line gamblers because their money is held in “comingled” accounts and they are really just general unsecured creditors. This last point is demonstrated by the payout issues players had/are having getting their money from the three sites. This is an argument for not filing FBARS, but is not a reason to make an “All-In” bet against the [IRS](#) and state authorities getting the player account histories from the sites. Remember, there were at least 50,000 account holders at UBS AG who thought that the Swiss bank Secrecy laws would protect them. The U.S. took on the Swiss and broke the back of Swiss and other bank secrecy laws and anyone who believes that the sites will not turn over player data when facing the realities of the situation would play pocket deuces against an open Royal Flush.

People help yourself out, take advantage of the OVDI and the implicit amnesty offered the states and save a portion of your wealth and all of your freedom. A bad beat in this game is a life changer. It

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means prosecution for tax fraud, violation of the Bank Secrecy Act, and potentially other charges. It's your life, it is your chance to deal your own cards.

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