

I Did Not Disclose My Foreign Accounts, Now What?

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If you did not take advantage of the limited time offer and file a voluntary disclosure hoping that that [IRS](#) and state tax authorities would not find you because the Swiss would never disclose your confidential bank records, well, to quote Jim Nabors, “SURPRISE, SURPRISE”, 4,450 unlucky contestants in the “hide the money lottery” may find an unpleasant note in the mail or a person with a gold badge at the door. There were lots of warnings, but there may still be an opportunity to mitigate the results. The worst case scenario for a foreign bank account case with account balances greater than \$1.0M is penalties and interest of about \$2.6M and jail time. That is the federal side only, the state penalties make it worse. So, what does a person do, try to focus on willfulness issues. Can you still come clean and avoid prosecution, MAYBE. But if you don't try now, don't expect sympathy later at sentencing. Minimization of the willfulness issue is really the key. Perhaps there is still an approach to lower the penalties and keep you out of custody. Perhaps, but waiting for the knock on the door will not solve the problem. If you wait for the knock the door prize may be a slamming cell door.

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