

Taxing Times

JULY 2021

Read about taxpayers with IRS problems and learn helpful tips on how to end them.



LAW OFFICE OF GERALD R. NOWOTNY, PLLC



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"You deserve to keep more of your hard earned money."

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LATE RAPPER DMX OWED IRS NEARLY \$700,000 IN TAXES

The influential rapper sold more than 74 million records worldwide.

Rapper DMX owed the Internal Revenue Service \$700,000 in unpaid taxes at the time of his death.

The tax debt, first reported by Radar, showed the popular and influential rapper, whose real name was Earl Simmons, was in deep financial trouble in the final years of his life.

The IRS filed its lien against DMX and his ex-wife Tashera Simmons on Sep-

tember 17, 2020. The debts, for the tax years 2002, 2003 and 2005, totaled \$663,554.55

DMX started his music career in the early 1990s and his debut album, *It's Dark and Hell Is Hot*, sold more than 250,000 copies and received critical acclaim. Overall, DMX sold more than 74 million records. He also appeared in several movies, including *Belly*, *Romeo Must Die* and *Cradle 2 the Grave*.

NEW YORK MAN PLEADS GUILTY TO TAX EVASION

A New York man pleaded guilty to tax evasion, admitting to failing to file tax returns.

According to court records, Jonathan Botier, 47, of Rochester, New York, worked for medical facilities in the New York City area. While working at these facilities, Botier submitted fraudulent

W-4 forms to his employers stating that he was exempt from taxes.

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For the years 2012 through 2018, Botier received total wages of approximately \$832,032 and owed the IRS approximately \$181,911 in federal income taxes. However, Botier failed to file a federal income tax return for each of those years and failed to pay the vast majority of federal income taxes he owed.

INMATE GUILTY IN REFUND SCHEME

A federal inmate and his accomplice pleaded guilty to charges stemming from a fraudulent tax withholding scheme.

According to court documents, Jabari Laquan Marshall, 43, devised the fraudulent tax withholding scheme while in a federal prison. Marshall provided co-defendant Jalen Tony Henry, 27, with false documents that purportedly showed the sale of trade secrets for \$25 million during the 2014 tax year. To make those false documents appear more credible, Marshall used the real Social Security numbers of two other individuals.

In April 2015, Henry filed an amended tax return for tax year 2014, using the false documents and fraudulently claiming that more than \$5.5 million in federal income tax had been withheld on his behalf. Henry requested a tax refund of more than \$1.3 million.

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COUPLE FILED FALSE TAX RETURNS USING NAMES OF THEIR CHILDREN

While the children were stationed overseas, the couple used their names to collect false refunds.

A New Hampshire couple pleaded guilty to conspiracy to defraud the IRS.

According to court records, William Cote, 49, and Kelly Cote, 52, of Claremont, New Hampshire, filed false tax returns using the identities of Kelly's sons and William's stepsons, identified in court records as J.E. and T.E.

While J.E. was deployed overseas for the United States military, the Cotes prepared a false tax return for tax year 2011 using his identity. While T.E. was stationed overseas for the United States military, the Cotes prepared and filed false tax returns for tax years 2012 through 2015 using his identity.

To obtain larger refunds, the Cotes falsely listed J.E. and T.E. as head of household on the false tax refunds for these returns and deposited the money into

their own joint bank account.

In February 2013, while T.E. was stationed overseas, the IRS audited the false 2012 tax return the Cotes filed using T.E.'s identity. On May 6, 2013, in a phone call with the auditor, William impersonated T.E. and "confirmed" the details in the false 2012 tax return. That same day, to support the false tax return, the Cotes prepared and faxed the auditor lease agreement that falsely stated that T.E. rented William and Kelly's home. Kelly forged T.E.'s signature on the lease agreement.

In total, the Cotes received more than \$36,700 in fraudulent tax refunds.

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ABOUT THE **OFFER IN COMPROMISE**

Did you know it's possible to settle your debt with the Internal Revenue Service for less than the IRS says you owe?

If you owe a substantial amount in back taxes to the government, you may be eligible to participate in the Offer in Compromise program. This program allows you to make an offer to the IRS that could settle your tax debt for significantly less than you owe.

Call to learn more about this program.

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ABOUT THE **INSTALLMENT AGREEMENT**

Are you earning a good living but just unable to pay your back taxes?

The Installment Agreement may be the option.

The Installment Agreement allows taxpayers to pay their tax debt over time by making manageable payments. The Installment Agreement can put you back in control of your financial future.

Call to learn more about this program.

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MAN GETS PRISON IN TAX CASE

He failed to report and pay company taxes.

A New Jersey, business owner was sentenced today to 12 months and one day in prison for tax evasion and failure to pay the IRS more than \$540,000 in employment taxes.

Wilson Salas-Molina, 41, of Howell, New Jersey, pleaded guilty to information charging him with one count of payroll tax evasion and one count of failure to collect, account for, and pay over payroll taxes.

According to court records, Salas-Molina was the owner and operator of a roofing business. From 2012 to 2018, Salas-Molina was required to withhold and pay to the IRS the employment taxes for employees. Salas-Molina cashed checks he received from roofing clients at a check cashing service and paid his 14 employees in cash to conceal his payment of wages and his failure to report and pay over employment taxes to the IRS. The scheme resulted in a failure to withhold and pay more than \$540,000 in taxes to the IRS.

In addition to the prison term, Salas-Molina was ordered to pay \$541,181 in restitution to the IRS.

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NEW HAMPSHIRE MAN GETS 18 MONTHS IN PRISON

A New Hampshire man was sentenced to 18 months in prison for employment tax fraud.

According to court documents, from 2011 to 2013, Walter Rodriguez, of Manchester, New Hampshire, aided and abetted several drywall companies that were evading the

payment of employment taxes.

The companies issued checks to workers in the names of fictitious or fraudulent identities and provided those checks to Rodriguez. In total, Rodriguez enabled the payment of \$1.7 million in unreported wages, causing a tax loss of \$416,000.



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Our dedication to the principles of professionalism & responsiveness has resulted in our guarantee to:

1. Explore alternative solutions to client tax problems.
2. Select the solution we believe is in our client's best interest.
3. Explain our decision to clients, and
4. Aggressively pursue the solution decided upon.

We further guarantee to:

1. Return client calls in a timely fashion.
2. Respond to IRS notices in a timely fashion.
3. Treat every client with respect, and
4. Work every case like it was our own.

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 **Schedule a FREE CONSULTATION**

CALL TODAY FOR A CONSULTATION

Constantly thinking about how much money you owe the Internal Revenue Service? Always worried that you'll never be able to get out from under this crushing debt? Wondering what effect this debt will have on your future and the future of your family? You're not the only one. Every day, I work with clients to solve tax problems they believe are unsolvable. I'm a member of the American Society of Tax Problem Solvers, and I am part of the rescue squad for troubled taxpayers.

If you're ready to be rescued, call me today to schedule a consultation.

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