



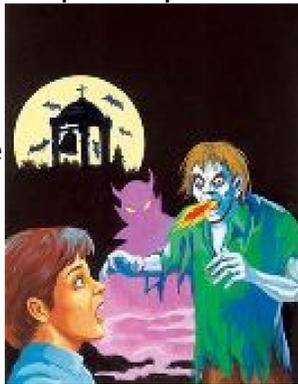
ABOUT US WHAT IS SALES TAX HOW WE WORK SEMINARS NEWS CASE STUDIES MEDIA COVERAGE

Halloween Tax Horror Stories

Can the Government Commit Tax Fraud?

A company that owns and operates rental property began building an apartment complex in 2002. In 2009, the company was notified that it would be audited for sales and use tax purposes from early 2002 through 2008. The business received official tax department workpapers showing almost 12 MILLION DOLLARS DUE, which included tax, interest, and penalties going back to 2002. The auditor provided over 125 pages of transactions he was holding taxable. We worked with the company to pull documents, request information from company vendors, and we completed tax research. As a result, Sales Tax Defense was able to reduce the total assessment to just over \$300,000— all penalties were abated thereby also reducing the applicable interest rate. Overall, this represented a 96% REDUCTION in the initial government assessment!

The Department used a random factor to determine the tax due of a restaurant which did not keep adequate books and records. The Department decided to use a factor that led to an assessment of about \$185,000 including interest and penalties. The assessment was issued without an observation or discussion of what factor should have been used. However, as a direct result of our negotiations with the Department, they agreed to use the most reasonable factor available. This led to a reduction to the assessment to under \$30,000 - including interest. Overall, this represented an 84% REDUCTION in the initial government assessment!



Similarly the Department did an observation of another restaurant and assumed that because they saw 3 holiday parties on a Friday in December that the restaurant must do 3 holiday parties everyday of the year. The tax department's initial proposal was for almost \$750,000. It was settled this week (after a year of negotiations) for \$15,000. Overall, this represented a 98% REDUCTION in the initial government assessment!

Imagine a client only paying 1/50th, 1/25th, or even 1/6th of their actual tax liability? Do you think that the government would think that type of reporting might be tax fraud? How is it possible that on several New York State sales and use tax audits, that the Department's initial position OVERSTATES the amount due by a factor of 6x, or 25x, or an incredible 50x???

When the taxing authorities issue you or your client an outrageous assessment, do NOT roll over and pay it. Make sure you get the professional help that is needed to properly defend your business and refute the erroneous assessment. Don't be a victim of governmental tax fraud!

Seminar News

November Seminars

November 1, 2010: NYSSCPA Queens/Brooklyn Annual Taxation Conference at St. Johns University 9:00 AM- 10:00 AM

November 12, 2010: NYSSCPA Staten Island Tax Conference at the Hilton Garden Inn, 1100 South Avenue, Staten Island at 10:00 AM - 11:00 AM

November 17, 2010: NYCCPAP Tax Symposium "Mock Sales Tax Audit and Trial" 9:00 AM - 12:00 PM

November 18, 2010: Suffolk Bar "What Every Attorney Needs to Know about Sales Tax" 12:00 PM - 2:00 PM at Suffolk Bar Association on Wheeler Avenue

November 19, 2010: NCCPAP Tax Symposium on "101 Sales Tax Answers". From 1:15 PM - 2:55 PM at Cresthollow Country Club in Woodbury, hear Mark answer all of the pertinent sales tax questions accountants and businesses have. Please contact Kathy Casey at 516-997-9500 Ext. 3 to register.

If you have any questions or would like to attend an upcoming seminar, please contact Cheryl Dender at 516-931-1500 ext.12 or email cdender@SalesTaxDefense.com

We are pleased to announce that we are now certified to give CLE credit for our seminars.

The "Great Prostate Cancer Challenge Long Island" a 5K run and ½ mile fun walk is here! It will take place on November 14th on the rolling hills of the Town of Oyster Bay Golf Course located in Woodbury, New York. You can help! It's easy. [Click here](#) to form a fundraising team or to fundraise individually.

About Us

We are a dedicated team of sales and use tax professionals who have committed our careers to helping businesses and fellow professionals with sales and use tax problems. Since the only work we are focused on is sales tax consulting, businesses never have to be concerned that we will try to sell them other services they do not need. And professionals never have to be concerned with us encroaching on their client relationships, because we view you, our fellow professional, as our client.