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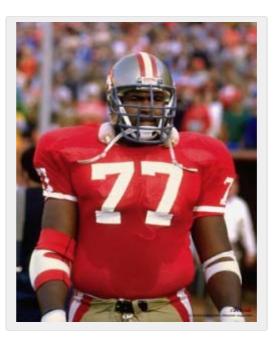


Robert W. Wood THE TAX LAWYER

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Wesley Snipes' Tips On Tax Charges For 49er Bubba Paris

Former <u>49ers</u> lineman <u>Bubba Paris</u> could face up to a year in prison for failing to file three years' worth of tax returns, say prosecutors. Paris played with the 49ers from 1983 to 1990, then the <u>Indianapolis Colts</u> and <u>Detroit Lions</u>. He was charged with failing to file tax returns in 2006, 2007 and 2008. Prosecutors say Paris, 52, earned gross income of \$57,000 in 2006, \$84,000 in 2007 and \$42,000 in 2008 and failed to file federal returns.



Those are hardly stratospheric

numbers and it may not sound too serious. Yet if Paris is convicted of these misdemeanor charges he could face up to one year in prison and a \$100,000 fine. Notably, these are misdemeanor charges, which although painful, could have been much worse. Failure to file a tax return is a misdemeanor, while filing falsely is a felony.

Of course, any criminal charge is serious, and you can be prosecuted for failure to file or for filing falsely. But the latter is more serious and the penalties are more frightening. Recall that Wesley Snipes was tried on felony as well as misdemeanor tax charges, but only was convicted of misdemeanors.

Although Snipes was convicted, most observers thought the government largely failed in the case. Snipes was aquitted on the more serious felony charges. As Snipes' misdemeanor convictions show, failing to file carries smaller penalties than filing fraudulently. See <u>Wesley Snipes Turns 50 In</u> <u>Prison But Didn't File False Tax Return</u>.

The vast majority of criminal tax cases are federal, but not all of them. In fact, late last year, <u>Stephen Baldwin</u> of Usual Suspects and acting's <u>Baldwin</u> Brothers clan was arrested for failure to file and pay New York taxes. Interestingly, they were felony charges. Most states don't go to such extremes but New York state tax authorities said that Baldwin failed to file returns and pay New York taxes for 2008, 2009 and 2010. New York claimed over \$350,000 is due. See <u>Stephen Baldwin arrested</u>, charged with failure to file state taxes.

However Mr. Paris fares in his case, it's clear that once the IRS Criminal Investigation representatives come calling, it is usually too late to simply file the forms and make it right. Also, as Mr. Snipes' case makes clear, the government likes high profile defendants. Since not all cases can be pursued, the government tries to get additional deterrent effect by pursuing tax cases against public people. Often that's especially true as time for tax return filing draws near.

Robert W. Wood practices law with <u>Wood LLP</u>, in San Francisco. The author of more than 30 books, including Taxation of Damage Awards & Settlement Payments (4th Ed. 2009 with 2012 Supplement, <u>Tax</u> <u>Institute</u>), he can be reached at <u>Wood@WoodLLP.com</u>. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.