## **Forbes**



## Robert W. Wood THE TAX LAWYER

Oct. 20 2011 - 6:13 am

## Your Tax Problems Are Now Everyone's **Business**

If you don't pay your taxes, you may find yourself outed. Although no one but the Sage of Omaha really likes paying taxes, they are necessary. We don't want to be **Buffeted** by higher ones, but most of us pay what we owe.

If you don't, you may wind up on a deadbeat list. It may be worse to be on a deadbeat dad or mom-list, but a tax cheat list isn't good for most resumes either. Many states and cities do it, but California has practically made it an art form.

Image via themoneytimes

The California FTB has a Top 250 Delinquent Taxpayers <u>here</u>. California can spice up its lists with entertainers, like **Pamela Anderson** and **Dionne** Warwick. New Jersey does it too, as does Wisconsin.

At least 19 states, including Colorado, Connecticut, Florida, Georgia, Kansas, Kentucky, Maryland, Massachusetts, Montana, Nebraska, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South <u>Carolina</u>, <u>Washington</u>, and <u>Wisconsin</u> follow California's approach by publishing the names of tax delinquents online, according to data from CCH. a unit of WoltersKluwer.

It's not clear how much social opprobrium is associated with being on one of these lists. Some might consider it cachet. But now the Golden State is taking it to a new level: A <u>new California law</u> requires the DMV to suspend the driver's licenses of its worst delinquents. See <u>State-Tax Deadbeats Face Tough New Measures</u>.

Feisty Assembly member <u>Henry Perea</u> sponsored the <u>bill</u>: "If you don't pay your California taxes, you can't drive—we mean it," says. While celebrity tax scofflaws may just take a limo, the state is figuring that for most mortals it will be tough to get around. There may be a <u>debate</u> about whether illegal immigrants should have driver's licenses, but no one is really campaigning for tax debtors.

The California driver's license suspensions will affect the state's top 1,000 tax debtors whose names will be published online in two lists of 500 each. That's another change: those lists are also doubling in size. California has long kept a top 250 tax deadbeats on each, but more is now merrier.

One list of 500 will be drawn from income-tax rolls and another 500 from sales and other taxes. And while driver's licenses may be most in the spotlight, other licenses could be impacted too. The total debt of all 250 taxpayers now on California's income-tax list is \$152.3 million.

For more, see:

**State-Tax Deadbeats Face Tough New Measures** 

CA To Tax Scofflaws: Pay Up Or Lose Your Driver's (or CPA) License

Bill expands state auditor's powers in wake of Bell scandal

Jerry Brown signs bill to take cars away from tax cheats

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