



Robert W. Wood

THE TAX LAWYER

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Court Bars Masquerade, No More America's Next Top Tax Lawyer

Will 'America's Next Top Tax Lawyer' catch on as a new reality show? Probably not, but maybe it should. There are lawyer shows, but not about tax lawyers, and what they do is more interesting than you might think. Imagine thirteen steely-eyed and soberly suited contestants standing expectantly before the tax lawyer equivalent of Tyra Banks. One man now ineligible to compete is Lawrence Preston Siegel, who was just permanently enjoined from acting as a tax man in just about any capacity.

A federal court in San Diego permanently barred Mr. Siegel from preparing federal tax returns, providing tax advice for compensation, and working for any business that provides tax advice or prepares tax returns. That is serious, but Mr. Siegel has other legal problems too. In fact, he is a fugitive from the State of California, wanted on a 20-count criminal complaint. It charges him with Medi-Cal fraud, grand theft, forgery, identity theft, financial dependent adult abuse, and tax evasion.



The complaint alleges that Siegel impersonated licensed California attorneys and used multiple aliases, including Larry Lave and Yehuda Lave, to falsely

represent that he is a licensed attorney and CPA in order to recruit customers and implement his tax fraud schemes. The complaint states that Siegel resigned from the California bar in 1994, and lost his CPA license in 1997. That was after he was convicted of tax evasion and other federal crimes.

The complaint alleges that among his tax fraud schemes, Siegel falsely advised his customers on various illegal tax gimmicks. His customers were typically high earners with profitable businesses, the complaint says. It claims that Siegel would tell them they could establish companies in Nevada, treating their California homes as out-of-state corporate offices. Siegel allegedly claimed that doing so would transform non-deductible personal expenses into tax deductible business expenses!

It didn't stop there. The complaint says Mr. Siegel boasted about his tax fraud scheme in e-mails. In one, the complaint alleges that Siegel falsely claimed that his customers were entitled to free housing as tax-free compensation from their out-of-state companies. Make it luxurious, and still deduct it, he is said to have advised.

Siegel allegedly prepared tax returns too, often without the permission of his clients. Siegel is alleged to have fraudulently claimed customers' personal purchases as deductible business expenses. The complaint states that Siegel disguised purchases from Tiffany's, Louis Vuitton, and cruise lines as deductible "supplies" or "medical records and supplies."

According to the complaint, Siegel provided false corporate documents to the IRS to deceive auditors, produced bogus contracts to IRS auditors and lied to IRS officials during U.S. Tax Court litigation when asked to confirm information on behalf of his customers.

Return preparer fraud is always on the list of the [IRS's Dirty Dozen Tax Scams](#). The IRS gives tips [on its website](#) for choosing a tax preparer. In the past decade, the government has obtained injunctions against hundreds of unscrupulous tax preparers and tax scheme promoters. An alphabetical listing of those enjoined from preparing returns and promoting tax schemes can be found on [this page](#).

So far, there is no 'America's Next Top Tax Lawyer.' If there were, the audience would undoubtedly be small. That's a pity, because the work of tax lawyers is interesting. Taxes are critical to nearly everything, affecting business and personal decisions everywhere. And not everyone is eligible.

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