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You Might Be A Tax Evader If...

Before you file your taxes, you might want to take stock of your situation, and just how aggressive you are being. You don't want to leave money on the table. But you don't want to get into trouble either, especially not criminal trouble! There can be dark forces at work too. You might have a crazy uncle who says infomercial-type things like '[deduct it and forget it.](#)'

Or, maybe your tax preparer is even a bad influence and is egging you on. The IRS tries to weed out bad ones that make up fake deductions or gin up fake tax credits. But innocent people still get stung ever year. Making up deductions will get you in trouble even if your bad preparer is long gone when you get audited.



So here with a little bit of [Jeff Foxworthy](#) about how [you might be a redneck](#) are some ways that you might be a tax evader. You might be a tax evader if:

- You think taxes are only something you pay at the gas station.
- You claim our tax system is voluntary, and you don't feel like volunteering.
- You never filed a tax return and never will.
- You think 'penalties of perjury' means an opening offer.
- You think IRS stands for Irreverent Rodent Society.
- You are doing your best to get slapped with a huge tax lien so your neighbors will figure you made it in Hollywood!
- You claim you are exempt from taxes because your body is your temple.
- You think the 16th Amendment was never ratified so the income tax is illegal.
- You say the IRS can't tax you since cash money is actually called 'Federal Reserve Notes.'
- You claim paying taxes is a form of slavery, and slavery was abolished.
- You claim tax exemption for disaster relief since you usually describe yourself as a disaster.
- You claim you don't have to file returns because the Fifth Amendment says you can't be forced to incriminate yourself.
- You believe taxpayers are not U.S. Citizens.
- You think the U.S. consists only of the District of Columbia, federal territories, and federal enclaves.
- You don't consider yourself a "person" so you can't be taxed.
- You claim that wages, tips, and other pay for services are not income.
- You claim that the only employees subject to federal income tax are employees of the federal government. That's not you.
- You say only income earned *outside* the U.S. is taxable.
- You bought a church that shields you from the IRS.
- Your trust says it exempts you from federal taxes, so you don't have to file.
- You feel like a father (or mother) to your entire extended family and even your town, so you claim them all as dependents

on your taxes.

- You claim the IRS is unconstitutional so you don't have to pay.
- You think compelled compliance with the tax law is servitude violating the Thirteenth Amendment, adopted in 1865 to abolish slavery.
- You claim exemption from taxes because your pay is reparations for slavery.
- You formed a religious corporation sole, so you can't be taxed.
- You don't have to pay taxes because IRS tax forms don't all bear the required OMB control numbers or Paperwork Reduction Act Notices.

Some people find the terms offensive, but tax protesters or tax deniers generally voice arguments that are so out-there the IRS has a special category. In IRS lingo "frivolous" is about as bad as you can get. It is just shy of the other "f" word, "fraudulent." Using these f words can get darned expensive, and possibly even involve jail. Just look at [Wesley Snipes](#).

If the IRS finds your argument or tax position frivolous, it can mean a 20% accuracy-related penalty ([Section 6662](#)); and a whopping 75% civil fraud penalty ([Section 6663](#)). If you take a frivolous position on an amended return asking for money back, you can also be hit with a 20% penalty ([Section 6676](#)). Plus, if you file your return late including frivolous positions, the usual penalties for fraudulent failure to timely file an income tax return can be tripled, up to another whopping 75% ([Section 6651\(f\)](#)).

It's not only frivolous tax returns but frivolous other tax forms that trigger penalties. If you argue frivolous tax positions in court, the court can impose a penalty of up to \$25,000 if it concludes that: 1. your position is frivolous; or 2. you instituted a proceeding primarily for delay; or 3. you unreasonably failed to pursue your administrative remedies (that is, went to court without going through all [IRS appeals procedures](#) first).

For alerts to future tax articles, email me at Wood@WoodLLP.com. This discussion is not legal advice.