

## Get It While It's Hot — The IRS's 2011 Offshore Voluntary Disclosure Initiative — Time is Running Out to Qualify for Reduced Penalties

*By Stephen A. Beck, J.D., LL.M.*

The window for participating in the IRS's 2011 Offshore Voluntary Disclosure Initiative (the "OVDI") generally closes on August 31, 2011 (although extensions of the deadline apply in certain limited situations discussed below). The IRS has offered the OVDI to incentivize taxpayers with undisclosed foreign assets, accounts or income to come into compliance with federal tax

disclosure requirements. The OVDI provides this incentive by offering: (i) reduced civil penalties that could otherwise apply to nondisclosure; (ii) general elimination of the risk of criminal prosecution for nondisclosure; and (iii) heightened certainty regarding the amount of civil penalties that the taxpayer will need to pay to resolve all tax issues relating to the prior nondisclosure of offshore activities.

The OVDI is part of the IRS's strengthening effort to increase taxpayer compliance in connection with reporting offshore activities. As stated by Commissioner Shulman: "We are not letting up on international tax issues, and more is in the works. For those hiding cash or assets offshore, the time to come in is now. The risk of being caught will only increase.... This disclosure initiative is the last, best chance for people to get back into the system."

As a result of the IRS's aggressive stance towards rooting out taxpayers who

*continued on page 2*

## Meadows Collier Obtains Large Civil Judgment on Behalf of Client

*By Michael E. McCue, J.D.*

Michael E. McCue and Jason B. Freeman of Meadows Collier recently represented National Health Administrators, Inc. ("NHA"), a national insurance broker, in a lawsuit against TransAmerica Life Insurance Company f/k/a Life Investors Insurance Company of America ("Transamerica"). NHA sought payment of past sales commissions and the present

value of future commissions under a written Marketing Agreement. In addition, NHA sought damages resulting from Transamerica's fraudulent representations which induced NHA to agree to a particular Commission Schedule included in the Marketing Agreement. Following a two-week trial, the jury awarded past and future damages totaling \$10,644,000 on NHA's breach of

*continued on page 7*

## In This Issue:

- **Offshore Voluntary Disclosure Update**
- **Meadows Collier Wins 4th Largest Breach of Contract Judgment in Texas**
- **Estate Planning Benefits of Irrevocable Life Insurance Trusts**

have not disclosed offshore activities, any clients who have not already made the necessary disclosures should carefully consider whether they would like to participate in the OVDI or face the risk of detection and harsher treatment down the road.

### **Bottom Line — Should a Client Participate in the OVDI?**

For the reasons discussed below, the determination regarding whether the terms of the OVDI are advantageous for any particular taxpayer will require a careful analysis of: (i) the penalty amounts that could apply under the OVDI as compared to the penalties that could otherwise apply under the provisions of the Internal Revenue Code; and (ii) whether the number of tax years that could be open under the applicable statutes of limitations is greater or less than the eight year period for which disclosure must be made, and tax, interest and penalties must be paid, under the OVDI.

Meadows, Collier, Reed, Cousins, Crouch & Ungerman, LLP has already assisted with the above described analysis for many clients and would be pleased to assist with advising your clients regarding the OVDI advantages and disadvantages that could apply in their particular situation.

### **Important Tax Practitioner Advisory**

Before turning to the terms of the OVDI, it is important for tax practitioners to be aware of the following IRS positions regarding their professional obligations when advising clients who decline to participate in the OVDI. First, the IRS

has stated that Circular 230 requires a practitioner to advise their client of the fact and consequences of the client's noncompliance with federal tax laws. Second, the IRS position is that a practitioner cannot prepare their client's income tax return without being in violation of Circular 230 where that client declines to make full disclosure of the existence of a foreign financial account or any related income on that return.

### **What Taxpayers Must Do Under the OVDI**

*Required Disclosures.* The terms of the OVDI require taxpayers to submit the following information.

- Provide copies of previously filed original (and any previously filed amended) federal income tax returns for the tax years covered by the voluntary disclosure.
- Provide complete and accurate amended federal income tax returns for all tax years covered by the voluntary disclosure, including all applicable schedules showing previously unreported income.
- File complete and accurate original or amended offshore-related information returns and Forms TD F 90-22.1 (the "FBAR") for calendar years 2003 through 2010.
- Cooperate in the voluntary disclosure process though providing information on offshore accounts, institutions and facilitators and signing

agreements to extend the statute of limitations.

- Execute an IRS Form 906 (Closing Agreement on Final Determination Covering Specific Matters).

*Required Payments.* Taxpayers opting to participate in the OVDI must pay, or make good faith arrangements to pay, the full amount of tax and interest relating to the previously unreported foreign income, as well as the following penalties.

- The 20% accuracy-related penalty under I.R.C. § 6662(a) on the full amount of underpayments for all years.
- Any applicable failure to file and failure to pay penalties under I.R.C. § 6651(a)(1) and (2).
- A penalty generally equal to 25% of the highest aggregate balance in foreign bank accounts/entities or value of foreign assets during the period covered by the voluntary disclosures. This flat 25% penalty applies in lieu of all other penalties that would otherwise apply to the failure to disclose offshore-related information.

*Required Timeframe.* Generally, the aforementioned disclosures and payment must be made by August 31, 2011.

The IRS, however, has relaxed the August 31, 2011 deadline in two situations. First, the IRS has provided that certain individuals who had signature authority over, but no financial interest in, a foreign bank or other financial account in 2009 and prior years have

# Life Insurance Trusts Provide Estates with Tax and Planning Benefits

By R. Scott Schieffer, J.D., CPA

Life insurance has long been a popular vehicle for individuals to provide for their beneficiaries after death. An irrevocable life insurance trust ("ILIT") holding a life insurance policy provides similar benefits to life insurance held outright, including timely access to funds. The ILIT also provides a tax-efficient method of transferring wealth and additional control over assets following death.

Life insurance owned by the insured provides the beneficiary of the policy with cash immediately following the death of the insured without the need to obtain permission from a probate judge or other third parties such as an executor or bank. Whereas some assets such as real estate or stock in a closely-held business may require some time to find the right buyer and may be illiquid for a substantial time, a life insurance policy is by definition established to pay out proceeds upon the death of the insured in a timely manner. For these reasons, many families and individuals think of life insurance as a key part of their estate plans.

A life insurance policy held by an irrevocable life insurance trust provides the same ready access to funds for the trust, but in addition, an ILIT provides tax and planning benefits that often outweigh the marginal complexity

imposed by holding the life insurance in trust.

**Taxation.** In a typical ILIT plan, the ILIT is both the owner and beneficiary of the insurance policy, and because the trust is irrevocable, the insured has no incidents of ownership over the policy. As a result, the ILIT protects the policy proceeds from estate tax upon the death of the insured. Assets held in the

avoid the proceeds being included in the insured's estate for estate tax purposes. However, if the trustee of the ILIT purchases a new policy directly, the insured need not live any length of time from the date the policy is purchased to avoid estate inclusion. Thus, in most circumstances, an ILIT should be funded by the purchase of a new policy by the ILIT trustee rather than through the transfer of an existing policy.

Premiums paid to fund an insurance policy held by an ILIT are normally subject to gift tax because the insured is making a gift of property to an irrevocable trust to allow the trustee to pay the premiums. Many ILIT insurance plans may be structured so that gifts made by the insured to the trust qualify for annual exclusion treatment and avoid gift tax. The annual exclusion, or amount an individual can give gift-tax free to someone, is currently \$13,000 per donor, per recipient.

Each spouse is considered separately, effectively doubling the amount a couple can give to each recipient. For example, a husband and wife with two children and three grandchildren could fund up to \$130,000 (\$26,000 for the husband and wife times five descendants) per year in insurance premiums for a trust to benefit their five descendants without paying any gift tax.

For income tax purposes, the ILIT will usually be required to file an income



ILIT for the benefit of the surviving spouse will also not be subject to estate tax upon the death of the surviving spouse if certain steps are followed.

To fund an ILIT, the insured may transfer an existing life insurance policy into the trust or have the trustee of the ILIT purchase a new policy. The funding choice may affect the estate taxation of the proceeds, however. If the insured transfers an existing policy into a trust, the insured must live at least three years after the transfer of the policy to



until November 1, 2011 to make the required FBAR filings for those years. See IRS Notice 2011-54, 2011-29 I.R.B. (June 16, 2011). The required FBAR filing for 2010, however, was due on June 30, 2011 and is unaffected by the IRS's aforementioned extension.

Second, the IRS has stated that taxpayers can request an extension of the OVDI submission deadline for a period of up to 90 days (i.e., through November 29, 2011). In order to make such a request, the taxpayer must be able to demonstrate a good faith attempt to fully comply with the OVDI terms on or before August 31, 2011, and the taxpayer must submit a properly completed and executed agreement to extend the time to assess tax and penalties. The taxpayer's request must also include a description of the items that are missing, the reasons why they have not been submitted to the IRS and the steps taken to secure them. The request must be submitted in writing on or before August 31, 2011.

### Advantages of the OVDI

#### *Reduced Risk of Criminal Prosecution.*

A participating taxpayer who provides full cooperation and disclosure under the OVDI is not subject to criminal prosecution. A taxpayer who does not participate in the OVDI and whose offshore activities are discovered by the IRS could face the following criminal charges.

- Tax evasion, with a maximum prison term of 5 years and maximum fine of \$250,000. See I.R.C. § 7201.

- Filing a false tax return, with a maximum prison term of 3 years and maximum fine of \$250,000. See I.R.C. § 7206.
- Willful failure to file an income tax return, with a maximum prison term of 1 year and maximum fine of \$100,000. See I.R.C. § 7203.
- Willful failure to file an FBAR, with a maximum prison term of 10 years and maximum fine of \$500,000. See 31 U.S.C. § 5322.



*Reduced Civil Penalties.* A participating taxpayer can reduce, sometimes substantially, the amount of civil penalties that would otherwise apply to the failure to make offshore-related disclosures. The reduction in applicable penalties results from the following.

- The OVDI imposes a flat 25% penalty in lieu of all other penalties applying to nondisclosure of offshore assets. In contrast, the

penalty that could otherwise apply to the willful failure to file the FBAR could be as high as 50% of the total balance in the non-disclosed foreign account per violation. See 31 U.S.C. § 5321(a)(5). Other civil penalties could also apply outside of the OVDI to nondisclosure of offshore activities. See, e.g., I.R.C. § 6671 (penalty of 35% of gross reportable amount for failure to file returns relating to foreign trusts); I.R.C. §§ 6679 (penalty of \$10,000 per failure to file returns relating to foreign corporations or partnerships).

- The OVDI imposes the 20% accuracy-related penalty instead of the 40% penalty that could otherwise apply to underpayments attributable to undisclosed foreign financial assets under I.R.C. § 6662(j).
- The OVDI generally does not involve the imposition of the civil fraud penalty that could otherwise apply under I.R.C. § 6663.

#### *Example of Civil Penalty Reduction.*

The IRS has provided an example illustrating the possible penalty reduction benefits of the OVDI. The example assumes that a taxpayer owns a non-disclosed foreign account that had a \$1 million balance in 2003 and generated interest income in the amount of \$50,000 each year from 2003 through 2010 (thus, resulting in an account balance of \$1.4 million by year-end 2010).

The IRS indicated that, under the OVDI, the taxpayer would pay \$518,000, plus

interest, to come into compliance. The \$518,000 does not include failure to file or pay penalties that apply equally within or outside of the OVDI. The \$518,000 consists of the following.

- Tax in the amount of \$140,000 (i.e., \$50,000 of interest income per year, multiplied by 8 years, multiplied by an assumed 35% tax rate).
- An accuracy-related penalty of \$28,000 (i.e., the \$140,000 underpayment, multiplied by the 20% penalty).
- An additional penalty, in lieu of the other non-disclosure penalties that would otherwise apply, of \$350,000 (i.e., \$1.4 million, which is the highest balance in the account during the disclosure period, multiplied by 25%).

The IRS indicated that, if the taxpayer did not participate in the OVDI and the IRS subsequently discovered the taxpayer's offshore activities, the taxpayer would face up to \$4,543,000 in tax, accuracy-related penalty and FBAR penalty (i.e., the tax of \$140,000 and accuracy-related penalty of \$28,000, as calculated above, plus an FBAR penalty of \$4,375,000 (i.e., the sum of 50% of the value in the account for each year from 2004 through 2010)).

In addition, if the taxpayer did not participate in the OVDI, the taxpayer could also be subject to the 75% civil fraud penalty as well as substantial additional information return penalties if the foreign assets were held through a foreign entity and required information returns were

not filed. Lastly, the taxpayer would also be subject to an IRS examination that could lead to a criminal prosecution.

*The OVDI Cannot Increase Penalties.* As another advantage of the OVDI, the IRS has indicated that, for those unusual situations in which participation in the OVDI would result in the taxpayer paying fines that exceed those that would



otherwise apply outside the OVDI, the taxpayer will only be required to pay the lesser amount. Thus, participation in the OVDI cannot increase the amount of penalties that would otherwise be imposed under the generally applicable provisions.

## Reduction of the 25% Nondisclosure Penalty

The OVDI also provides two situations in which the 25% nondisclosure penalty that generally applies under the OVDI is reduced to a lesser rate.

*5% Nondisclosure Penalty.* First, a participating taxpayer qualifies for a 5% nondisclosure penalty if that taxpayer is covered by any one of the following three situations.

- The taxpayer satisfies the following four requirements: (i) the taxpayer did not open or cause the account to be opened, except in certain circumstances following the death of the prior owner of the account; (ii) the taxpayer exercised minimal, infrequent contact with the account; (iii) the taxpayer has not withdrawn more than \$1,000 from the account in any year for which the taxpayer was non-compliant, except for a repatriation transfer closing the account; and (iv) the taxpayer can establish that all applicable U.S. taxes have been paid on funds deposited into the account.
- The taxpayer is a foreign resident who was unaware that he/she was a U.S. citizen.
- The taxpayer is a foreign resident who satisfies all of the following for all of the years of their voluntary disclosure: (i) the taxpayer resides in a foreign country; (ii) the taxpayer has made a good faith showing of timely compliance of tax requirements in the

residency country; and (iii) the taxpayer has \$10,000 or less of U.S. source income each year.

**12.5% Nondisclosure Penalty.** A participating taxpayer qualifies for a 12.5% nondisclosure penalty if that taxpayer's highest aggregate account balance (including the fair market value of assets in undisclosed offshore entities and the fair market value of any foreign assets that were either acquired with improperly untaxed funds or produced improperly untaxed income) in each of the years covered by the OVDI is less than \$75,000.

### Potential Disadvantage of the OVDI

Participation in the OVDI involves a potential drawback because a taxpayer participating in the OVDI must pay tax on undisclosed income or assets for the prior 8 year period from 2003 through 2010. Outside of the OVDI, in contrast, the IRS generally can only go back and assess tax for the prior three tax years. I.R.C. § 6501(a). Even in situations involving a substantial omission of income, the IRS can only go back 6 years. I.R.C. § 6501(e). In addition, the IRS has 6 years from the date that an FBAR was required to be filed to impose the FBAR penalty. 31 U.S.C. § 5321(b)(1).

The IRS, however, is not restrained at all in its ability to move back in time to assess tax in the case where no return is filed at all or the taxpayer files a false or fraudulent return with the intent to evade tax. I.R.C. § 6501(c)(1), (3).

Thus, for some taxpayers, the determination regarding how many prior years could still be open under the aforementioned statutes of limitations could

play an important role in evaluating whether they wish to participate in the OVDI. If the taxpayer chooses to participate in the OVDI and then disagrees with the tax, interest and penalties proposed by the voluntary disclosure examiner, the taxpayer will be subject to a complete examination of all issues for the period for which the applicable statute of limitations has not yet expired.

### Eligibility for the OVDI

The OVDI is available for most taxpayers, including entities, such as corporations, partnerships and trusts, who have undisclosed offshore accounts or assets. The OVDI is also available for those 3,000 taxpayers who opted not to participate in the IRS's 2009 Offshore Voluntary Disclosure Program (the "2009 Program") but who subsequently made voluntary disclosures as part of the IRS's Criminal Investigation's traditional voluntary disclosure practice. Taxpayers who already made "quiet disclosures" by filing amended returns reporting previously unreported offshore income but without otherwise notifying the IRS can also apply to participate in the OVDI and take advantage of its penalty framework.

There are, however, narrow categories of taxpayers who cannot participate in the OVDI. For example, a taxpayer cannot participate in the OVDI if the IRS has started a civil or criminal investigation of that taxpayer, regardless of whether the investigation relates to undisclosed foreign assets. In addition, if a taxpayer was one of the 15,000 who already participated in the 2009 Program, that taxpayer is generally

ineligible to participate in the OVDI, unless that taxpayer qualifies for the reduced 12.5% or 5% penalties offered under the OVDI, as discussed above.

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contract claim and the same amount of damages on NHA's fraud claim. The trial court also awarded NHA pre-judgment interest of \$1,216,000 and its attorneys' fees. The NHA verdict was the 4th largest breach of contract verdict, and the 24th largest verdict of any kind, in the State of Texas during 2010.

### **NHA's Entitlement to Additional Commissions**

The central issue at trial was whether NHA was entitled to additional commissions pursuant to Commission Schedule V of the Marketing Agreement. Commission Schedule V provided for the payment of additional commissions until the "loss ratio" (claims divided by premiums) for any NHA "block of business" exceeded 57%. This question in turn was dependent upon whether or not "loss ratios" for purposes of Commission Schedule V would be computed by including "active life reserves" (reserves maintained by an insurance company, with respect to each individual policyholder, to pay future claims). The NHA case involved tens of thousands of policies, with each policy having its own "loss ratio."

None of the relevant terms—"loss ratio," "block of business," or "active life reserves"—were defined in the Marketing Agreement. Through the use of various graphics and demonstrative aids, however, NHA was able to convince the jury that Transamerica's method of computing loss ratios—by including active life reserves—resulted

in unreasonable results and should be rejected. These demonstrative aids, along with expert testimony provided by accounting, actuarial and insurance experts, demonstrated that NHA's methodology of computing loss ratios was correct, and that NHA was thus entitled to additional commissions under Commission Schedule V. These experts relied upon both recognized actuarial standards and published insurance regulations to support their testimony. Expert accounting testimony was then utilized to establish both



past damages from unpaid commissions as well as the present value of future commissions to be paid under Commission Schedule V.

### **Alternative Claims for Breach of Contract and Fraud**

A second issue presented was whether NHA could bring claims for both breach of contract and fraud—claims which essentially sought the recovery of the same monetary damages. Transamerica argued that NHA could not bring a separate fraud claim, while NHA asserted it could bring both independent causes of action.

NHA convinced the trial court that a plaintiff may sue under multiple theories of liability, including fraud and breach of contract, even though there can be only one recovery. In *Tony Gullo Motors I, L.P. v. Chapa*, 212 S.W.3d 299, 303 (Tex. 2006), the plaintiff pled breach of contract, fraud, and violations of the Texas Deceptive Trade Practices Act. The trial court entered judgment on the jury's verdict finding for the plaintiff on all three theories. The Texas Supreme Court held that, under the "one satisfaction rule," there can be but one recovery for one injury. The Court further held, however, that while the trial court erred in entering judgment on all three theories, a plaintiff who is successful on more than one theory of liability has a right to elect and recover under the most favorable theory.

Under this "election of remedies" doctrine, if a plaintiff pleads more than one theory of recovery, it need not make an election between them until after the verdict. As a result, the trial court held that NHA was entitled to proceed against Transamerica under both contract and fraud theories because NHA did not need to elect between different remedies until after the verdict. After the jury verdict, NHA elected to recover under its breach of contract claim because the jury awarded the same damages—\$10,644,000 under both theories, and NHA was entitled to recover its attorneys' fees under its contract claim, but not for its fraud claim.

## Separate Legal Duty Not to Fraudulently Procure a Contract

NHA also established that its fraud claim regarding the Marketing Agreement was based on the separate legal duty not to fraudulently procure a contract. In *Formosa Plastics Corp. USA v. Presidio Engineers & Contractors, Inc.*, 960 S.W.2d 41, 46 (Tex. 1998) the Texas Supreme Court held that “it is well established that the legal duty not to fraudulently procure a contract is separate and independent from the duties established by the contract itself.” During trial, the evidence showed that Transamerica made fraudulent representations during negotiations, and

NHA relied on the representations in executing the Marketing Agreement—including Commission Schedule V. Therefore, NHA was entitled to assert its fraud claim even though its fraud damages were the same or similar to the economic losses under its breach of contract claim. As the court held in *Tony Gullo Motors*: “we long ago abandoned the position that procuring a contract by fraud was simply another contract dispute. Because (the plaintiff) proved more than mere breach of contract here, we hold she was entitled to assert fraud and DTPA claims as well.”

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tax return annually. In addition, depending on the amount of annual gifts required to fund the premiums, a gift tax return may be required to be filed. Anyone considering making gifts to an ILIT should consider allocating the generation-skipping transfer tax exemption to such gifts.

**Beneficiaries and Trustee.** A trust named as beneficiary of an insurance policy provides the insured with flexibility and control over the disposition of the policy proceeds. A trust’s terms may be customized to permit the insured to provide for his or her loved ones in whatever way he or she chooses. For example, the trust may provide that upon the death of the insured (or the death of the surviving spouse if he or she is a beneficiary) that the trust pro-

ceeds are to be paid outright to the insured’s descendants, to continue in trust until each descendant attains a certain age, to continue in trust for as long as permitted under law, or to be distributed through a combination of terms according to the insured’s wishes. Further, assets held in trust have greater creditor protection than assets held outright, potentially shielding insurance proceeds paid to descendants from creditors.

Any person (including the insured’s spouse or descendants) may serve as trustee of the ILIT, but the insured should not serve as trustee to ensure that the proceeds of the policy are not included in his or her estate. A financial institution with a trust department may also serve as trustee.

Hence, if designed and implemented carefully, an irrevocable life insurance trust may provide significant tax and planning benefits not available for life insurance held outside of a trust with only a marginal amount of additional complexity.

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# Meadows, Collier, Reed, Cousins, Crouch & Ungerman, L.L.P.

welcomes

**R. SCOTT SCHIEFFER**

to the firm.

Mr. Schieffer is a new associate with the firm concentrating his practice on Estate Planning and Probate and Income Tax and Business Planning. He is also a Certified Public Accountant and was recognized for a "Top Ten" score in Texas among students taking the Uniform CPA Exam in 2002. Prior to joining the firm, he spent three years with an international law firm. Before attending law school, he spent two years as a practicing CPA working for an international accounting firm. He was admitted to practice in Texas in 2006.

Mr. Schieffer received his B.B.A., *summa cum laude*, and Master of Accountancy from Baylor University, in 2001 where he was a Carr P. Collins Scholar and the highest ranking male graduate of the Hankamer School of Business. He received his J.D. from the University of Virginia School of Law in 2005 and was a member of the *Virginia Tax Review*.

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## The Firm

congratulates

**DAVID E. COLMENERO, J.D., LL.M., CPA,**

partner of the firm,

for being named the 2011–2012 Chair of the Dallas CPA Society.

# Upcoming Speaking Engagements

(For complete speaking engagement information, please visit our firm website at [www.meadowscollier.com](http://www.meadowscollier.com). Click on the News & Events tab from the Home page of the website.)

AUGUST 4, 2011

JOEL CROUCH

ANTHONY DADDINO

Crouch – *“The IRS and the Tax Professional: Friends or Foes?”*  
 Daddino – *“Avoiding Entanglements in the Web that is Pass-Through Entity Audits”*  
 Fort Worth Chapter/TSCPA Tax Institute  
 Fort Worth, TX

AUGUST 5, 2011

DAVID COLMENERO

Colmenero – *“Texas Legislature Ax in the Face of a Budgetary Crisis: Whose Ox Will be Gored Next?”*  
 Fort Worth Chapter/TSCPA Tax Institute  
 Fort Worth, TX

AUGUST 15, 2011

DAVID COLMENERO

*“Representing Your Clients Before the Texas Comptroller of Public Accounts”*  
 TSCPA Texas State Taxation Conference  
 Austin, TX

AUGUST 23, 2011

DAVID COLMENERO

*“The Hottest Audit Issues in Texas Tax: Who is Being Targeted For Audit and What Can You Do to Protect Your Client’s Interests?”*  
 El Paso Chapter/TSCPA  
 El Paso, TX

AUGUST 24, 2011

TREY COUSINS

ANTHONY DADDINO

SARAH WIRSKYE

JOSH UNGERMAN

Cousins – *“How CPAs Get in Trouble with the IRS”*  
 Daddino – *“Woeful Tales of Tax Withholding: Helping Your Client Avoid IRS Employment Tax Issues”*  
 Wirsky – *“Differences Between Aggressive Tax Planning and Tax Fraud”*  
 Ungerman – *“What is the IRS Doing to Us Next?”*  
 Panhandle Chapter/TSCPA Tax Institute  
 Amarillo, TX

AUGUST 26, 2011

TREY COUSINS

Topic *“IRS Targets in Transfer Tax”*  
 TSCPA’s Advanced Estate Planning Conference  
 San Antonio, TX

SEPTEMBER 2011

DAVID COLMENERO

*“When Can You Recover Attorney’s Fees? Challenging State Tax Assessments in District Court”*  
 5th Annual UT Texas Margin Tax Conference  
 September 1, 2011 – Austin, TX  
 September 7, 2011 – Dallas, TX  
 September 8, 2011 – Houston, TX

SEPTEMBER 22, 2011

DAVID COLMENERO

*“The Hottest Audit Issues in Texas Tax: Who is Being Targeted For Audit and What Can You Do to Protect Your Client’s Interests?” and*  
*“Texas Legislature Ax in the Face of a Budgetary Crisis: Whose Ox Will be Gored Next?”*  
 San Antonio Chapter/TSCPA CE Symposium  
 San Antonio, TX

SEPTEMBER 30, 2011

JOSH UNGERMAN

*“TBA”*  
 Texas Bankers Association Estate Administration Seminar  
 San Antonio, TX

OCTOBER 2011

VARIOUS FIRM ATTORNEYS

13th Annual Meadows Collier Taxation Conference  
 (WATCH FOR DETAILS COMING SOON)  
 Dallas, TX

OCTOBER 27, 2011

ALAN DAVIS

Topic *“TBA”*  
 Heart of Texas Estate Planning Council  
 Sponsored by the Heart of Texas Estate Planning Council, the MCC Foundation and the Baylor Advancement Office  
 Waco, TX

OCTOBER 28, 2011

JOEL CROUCH

*“The Changing Relationship between Taxpayers and the IRS Examination Division”*  
 Rio Grande Valley Chapter/TSCPA Expo  
 South Padre Island, TX

NOVEMBER 1, 2011

JOEL CROUCH

*“Tax Issues in Settlements and Agreements”*  
 Tort and Insurance Practice Section of the Dallas Bar Association  
 Dallas, TX

NOVEMBER 3, 2011

TOM HINEMAN

*"Tax Planning for the Acquisition and Disposition of Oil & Gas Interests"*  
Permian Basin Chapter/TSCPA CPE Expo  
Odessa, TX

NOVEMBER 8, 2011

TREY COUSINS

*"Derivative Liabilities"*  
and  
*"Worker Classification Issues"*  
2011 AICPA National Tax Conference  
Washington, DC

NOVEMBER 14, 2011

JOEL CROUCH

JOSH UNGERMAN

Crouch – *"Practical Suggestions and Traps to Avoid When Working with the IRS"*  
Ungerma n – *"What is the IRS Doing to Us Next?"*  
Austin Chapter/TSCPA Annual Tax Conference  
Austin, TX

NOVEMBER 17-18, 2011

TREY COUSINS

JOSH UNGERMAN

DAVID COLMENERO

Cousins – *"When the IRS Comes Knocking"*  
Ungerma n – *"A View from the Office of Professional Responsibility"*  
Colmenero – *"Recent Developments in Texas Taxation"*  
TSCPA Tax Institute  
San Antonio, TX and Dallas, TX

DECEMBER 2011

JOEL CROUCH

*"IRS Update"*  
TSCPA CPE Expo  
December 1, 2011 – San Antonio, TX  
December 5, 2011 – Arlington, TX  
December 8, 2011 – Houston, TX

DECEMBER 16, 2011

TREY COUSINS

*"TBA"*  
Louisiana Tax Conference/Louisiana CPA Society  
New Orleans, LA

JANUARY 12, 2012

JOEL CROUCH

*"How to Make Sure Your Client Does Not Have IRS Employment Tax Problems"*  
Corpus Christi Chapter/TSCPA  
Corpus Christi, TX

# 13<sup>th</sup> Annual Meadows Collier Taxation Conference

OCTOBER 2011

## WATCH FOR DETAILS COMING SOON

on the firm's website at  
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