

Internal Revenue Service

Department of the Treasury

Date: March 26, 2008

JUSTIN [REDACTED]
[REDACTED]

Taxpayer Identification Number: [REDACTED]

Form: 1040 **Tax Year(s):** 2006

Person to Contact: Ms. Anderson

Employee Identification Number: 0469226792

Contact Telephone Number: (866) 899-9083 ext. 8479

Dear Taxpayer:

This letter serves to inform you of the potential consequence of the position you have taken and to offer you an opportunity to correct your submission within 30 days from the date of this letter.

Why We Are Contacting You

Based on Internal Revenue Code Section 6702, *Frivolous Tax Submissions*, we have determined that the information you filed as a return of tax, or purported return of tax, on April 15, 2007 is frivolous and there is no basis in the law for your position. We have made this determination because what you submitted is based on positions that fall under one or both of the following:

- Your information is based on positions identified as frivolous under Section 6702(c). (See Notice 2007-30, 2007-14 I.R.B. 883 at www.irs.gov/pub/irs-irbs/irb07-14.pdf)
- Your information reflects a desire to delay or impede the administration of Federal tax laws.

Federal courts, including the Supreme Court of the United States, have considered and repeatedly rejected, as without merit, positions such as yours.

Internal Revenue Code Section 6702 imposes a \$5,000 penalty for the filing of a frivolous tax return or purported tax return. We are proposing a \$5,000 penalty per return based on your filing of a frivolous tax return(s) or purported tax return(s).

What You Need To Do

Send us corrected return(s) for the taxable period(s) within 30 days of the date of this letter. If you send us corrected return(s), we will disregard the previous document(s) filed and not assess the frivolous tax submissions penalty to each correct return filed.

Please attach this letter to your corrected return(s) and mail to the address shown at the top of this letter. We have enclosed a copy of this letter for your records and an envelope for your convenience.

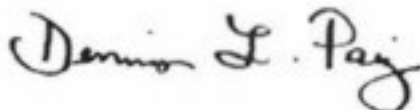
What Happens If You Don't Respond

If you do not file the corrected return(s) within 30 days of the date of this letter, or if you submit instead another document(s) asserting a frivolous position, we will assess the **\$5,000 penalty** for frivolous tax submissions. We will charge this fee for each purported return you filed for which you did not file a corrected return. Once we assess the penalty, the IRS will bill you \$5,000 for each frivolous return or purported return filed. We will not respond to future correspondence asserting any frivolous position.

In addition, if we do not hear from you within the above timeframe, we may issue a notice of deficiency. A notice of deficiency states the amount of additional tax and/or penalties you owe and explains your right to contest the deficiency by filing a petition with the United States Tax Court.

We have enclosed Publication 2105, *Why Do I Have to Pay Taxes?*, which provides basic information about the tax system. In answering tax questions, we encourage you to seek advice from a competent tax professional or an attorney qualified to practice in your state.

Sincerely yours.



Operations Manager
Exam SC support

Enclosures:

Publication 2105
Copy of this letter
Envelope