



Department of the Treasury
Internal Revenue Service

PO Box 9002
Holtsville NY 11742

MATTHEW J BOSSARD

OR

Date:

04/08/2019

Taxpayer ID number:

Tax periods ended:

December 31, 2004

Person to contact:

P Tobin

Contact telephone number:

1 [866]-897-0161

Contact hours:

7:00 AM - 7:00 PM Local

Contact fax number:

1-855-234-2608

We're auditing your 2004 Form 1040 , and need a response from you.

Proposed changes to your 2004 Form 1040

Dear MATTHEW J BOSSARD:

We reviewed your 2004 federal income tax return, any information you gave us, and made proposed changes to your tax. As a result, we found that you:

are due a refund of \$

owe a balance of \$ 27,014.40 . This amount may include tax, penalties, and estimated interest due. You should pay the balance due immediately to avoid additional penalties and interest charges.

What you need to do

Review the enclosed Form 4549, *Income Tax Examination Changes*, and attached Form 886 and let us know by May 08, 2019 if you agree or disagree with our proposed changes. If your address has changed, please provide your current address and contact information when you respond.

If you agree with our changes

- Sign, date and mail the enclosed Form 4549 to us in the envelope we provided.
- If you are due a refund, you should receive a refund check within 8 weeks if you don't owe other taxes or debts we're required to collect.
- If you owe additional taxes, make your check or money order payable to the United States Treasury. Write your taxpayer ID number, tax year and form number on the check.
- If you can't pay the total amount due, pay as much as you can and make payment arrangements to pay the rest over time. Payment options are described in the enclosed Publication 3498-A, *The Examination Process (Audits by Mail)*. You can also search "tax payment options" at www.irs.gov.

If you don't agree with our changes

Return a copy of this letter along with your explanation and any supporting documents. Form 886 attached to the Form 4549 explains documentation you need to give us. Publication 3498-A describes the audit process and explains other options, including your appeal rights, if you disagree with our proposed changes.

If we don't hear from you

If we don't receive a response from you, we'll send you a Notice of Deficiency, which will state the amount you owe with penalties and explain your right to file a petition in the United States Tax Court. Once a Notice of Deficiency is sent to you, you cannot appeal disagreements to the IRS. We will still consider new information you may provide to us, but you will need to file a petition with the United States Tax Court to challenge the deficiency.

If you need assistance, please don't hesitate to contact us. If you want to authorize someone, in addition to you, to contact the IRS about this letter, please complete and send us Form 2848, *Power of Attorney and Declaration of Representative*. You can download this form at www.irs.gov or request a copy by calling 1-800-TAX-FORM (1-800-829-3676).

Please provide a telephone number, including area code and the best time for us to call you if we need more information.

Telephone number: () _____ - _____ Hours: _____

Sincerely,

Diane Muse
Operations Manager, Examination

Enclosures:
Form 4549
Publication 3498-A
 Form 886
Copy of this letter
Envelope

Name and Address of Taxpayer

Taxpayer Identification Number

Return Form No.
1040

MATTHEW J BOSSARD

Person with whom
examination
changes were
discussed.

Name and Title:
MATTHEW J

1. Adjustments to Income		Period End	Period End	Period End
		1/1/04		
a. E-Trade		3,224.00		
b. [] Corp		57,182.00		
c. Capital Gain or Loss		10,972.00		
d.				
e.				
f.				
g.				
h.				
i.				
j.				
k.				
l.				
m.				
n.				
o.				
p.				
2. Total Adjustments		71,378.00		
3. Taxable Income Per Return or as Previously Adjusted		(7,948.00)		
4. Corrected Taxable Income		63,430.00		
Tax Method		TAX TABLE		
Filing Status		Married Separate		
5. Tax		12,738.00		
6. Additional Taxes / Alternative Minimum Tax				
7. Corrected Tax Liability		12,738.00		
8. Less				
a. Credits	b.			
c.	d.			
9. Balance (Line 7 less Lines 8a through 8d)		12,738.00		
10. Plus				
Other Taxes	a.			
	b.			
	c.			
	d.			
11. Total Corrected Tax Liability (Line 9 plus Lines 10a through 10d)		12,738.00		
12. Total Tax Shown on Return or as Previously Adjusted		0.00		
13. Adjustments to:				
a.	b.			
c.				
14. Deficiency-Increase in Tax or (Overassessment-Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)		12,738.00		
15. Adjustments to Prepayment Credits - Increase (Decrease) See Attached		2,945.00		
16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)		9,793.00		

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest income) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer
MATTHEW J BOSSARD

Taxpayer Identification Number

Return Form No.:
1040

17. Penalties/ Code Sections	Period End 12/31/2019	Period End	Period End
a. Delq-IRC 6651(a) (1)	2,448.25		
b. Accuracy-IRC 6662	1,958.60		
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
18. Total Penalties	4,406.85		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). The interest will accrue and be assessed at 120% of the underpayment rate in accordance with IRC §6621(c)	0.00		
19. Summary of Taxes, Penalties and Interest:			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	9,793.00		
b. Penalties (Line 18) - computed to 04/08/2019	4,406.85		
c. Interest (IRC § 6601) - computed to 05/04/2019	12,814.55		
d. TMT Interest - computed to 05/04/2019 (on TMT underpayment)	0.00		
e. Amount due or (refund) - (sum of Lines a, b, c and d)	27,014.40		

Other Information:

Examiner's Signature: P Tobin	Employee ID: 1000192665	Office: Brookhaven	Date: 04/08/2019
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Consent to Assessment and Collection- I do not wish to exercise my appeal rights with the Internal Revenue Service or to contest in the United States Tax Court the findings in this report. Therefore, I give my consent to the immediate assessment and collection of any increase in tax and penalties, and accept any decrease in tax and penalties shown above, plus additional interest as provided by law. It is understood that this report is subject to acceptance by the Area Director, Area Manager, Specialty Tax Program Chief, or Director of Field Operations.

PLEASE NOTE: If a joint return was filed, BOTH taxpayers must sign

Signature of Taxpayer	Date:	Signature of Taxpayer	Date:
By:		Title:	Date:

Name of Taxpayer MATTHEW J BOSSARD
Identification Number: [

Total

04/08/2019
20,000.00

2004 - Form 6251 - Alternative Minimum Tax Computation

1. If filing Schedule A, taxable income before exemptions; otherwise, enter adjusted gross income	71,380.00
2. Total adjustment and preferences (excluding any NOL deduction)	0.00
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	0.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	71,380.00
6. Exemption amount	29,000.00
7. Subtract line 6 from line 5 (if zero or less, enter 0)	42,380.00
8. If capital gains are reported, see line 20 from continuation page All others: If line 7 is \$175,000 or less (\$87,500 if MFS) multiply line 7 by 26%. Otherwise, multiply line 7 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	11,019.00
9. Alternative minimum tax foreign tax credit	0.00
10. Tentative minimum tax (line 8 less line 9)	11,019.00
11. Regular tax before credits (if Schedule J was used to figure tax, use the refigured amounts for lines 43 and 46 of Form 1040 without using Schedule J)	12,738.00
12. Alternative minimum tax	0.00

Exemption Worksheet (line 6 above)

A. Exemption amount based on filing status	29,000.00
B. Alternative minimum taxable income	71,380.00
C. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separately)	75,000.00
D. Subtract line C from line B	0.00
E. Multiply line D by 25%	0.00
F. Subtract line E from line A (if zero or less, enter 0)	29,000.00

Name of Taxpayer: MATTHEW J BOSSARD
Identification Number: |

04/08/2019
20.00.00

Total

2004 - Form 6251 - Continuation, Tax Computation Using Maximum Capital Gain Rates

1. Amount from Form 6251 report, line 7	42,380.00
2. Amount from line 6 Qualified Dividends and Capital Gain Tax Worksheet or line 13 from Schedule D Tax Worksheet (refigured for AMT)	0.00
3. Amount from Schedule D line 19 (refigured for AMT)	0.00
4. Amount from line 2 if no Schedule D worksheet; otherwise, the smaller of the sum of 2 or 3 or Schedule D worksheet line 10 (refigured for AMT)	0.00
5. Smaller of line 1 or line 4	0.00
6. Subtract line 5 from line 1	42,380.00
7. If line 6 is \$175,000 or less (\$87,500 if MFS) multiply line 6 by 26%. Otherwise, multiply line 6 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	11,019.00
8. Enter: \$58,100 if filing married filing joint or qualified widow(er) \$29,050 if filing single or married filing separate \$38,900 if filing head of household	29,050.00
9. Amount from line 7 Qualified Dividends and Capital Gain Tax Worksheet or line 14 from Schedule D Tax Worksheet	0.00
10. Subtract line 9 from line 8 (if zero or less, enter 0)	29,050.00
11. Smaller of line 1 or 2	0.00
12. Smaller of line 10 or 11	0.00
13. Multiply line 12 by 5%	0.00
14. Subtract line 12 from line 11	0.00
15. Multiply line 14 by 15%	0.00
16. Subtract line 11 from line 5	0.00
17. Multiply line 16 by 25%	0.00
18. Total of lines 7, 13, 15 and 17	11,019.00
19. If line 1 is \$175,000 or less (\$87,500 if MFS) multiply line 1 by 26%. Otherwise, multiply line 1 by 28% and subtract \$3,500 (\$1,750 if MFS) from the result	11,019.00
20. Smaller of line 18 or 19, enter here and on line 8 of Form 6251 report	11,019.00

Name of Taxpayer: MATTHEW J BOSSARD
Identification Number:

Total

04/08/2019
20.00.00

EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

2004 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2005	
3. Date return filed	11/19/2018	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax liability		12,738.00
7. Allowable payments on or prior to due date of return		2,945.00
8. Net Amount Due (line 6 less line 7)		9,793.00
9. Failure to File Penalty - line 8 multiplied by line 4		2,448.25
10. Minimum penalty if over 60 days delinquent		100.00
11. Failure to File Penalty - Greater of line 9 or line 10		2,448.25
12. Previously assessed/previously agreed Failure to File Penalty		0.00
13. Net Failure to File Penalty - line 11 less line 12		2,448.25
14. Failure to Pay Penalty - line 8 multiplied by line 5		0.00
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		0.00
17. Total Delinquency Penalty - Sum of line 13 and 16		2,448.25

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

Accuracy-Related Penalties under IRC 6662

20 Percent Penalty -- Internal Revenue Code Section 6662(a)

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A penalty issues, if any	9,793.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	9,793.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	1,958.60
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	<u>1,958.60</u>

40 Percent Penalty -- Internal Revenue Code Section 6662(h)

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement).

Therefore, an addition to tax is imposed as provided by Section 6662(h) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A penalty issues, if any	9,793.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	9,793.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	<u>0.00</u>

Name of Taxpayer: MATTHEW J BOSSARD
Identification Number: |

Total 04/08/2019
20.00.00

HOW TO PAY YOUR TAXES

If you agree with the adjustments and balance due on Form 4549 – Income Tax Changes, please return a signed copy including pages 1 and 2. The enclosed report does not reflect any balance currently due on your account.

You have payment options for your tax liability. Please note that interest and applicable penalties will accrue until your balance is paid in full. Paying now will decrease or stop future interest charges and prevent assessment of failure to pay penalties.

Payment options include the following:

- Pay now by including a check or money order payable to the United States Treasury with your signed copy of Form 4549.
- Download the IRS2Go Mobile App and make a payment whenever you like from your mobile device. (Processing fees may apply.)
- If you can pay the full amount within 120 days, return the signed agreement now and submit the balance due when you receive the bill.

Additional payment options are available by visiting www.irs.gov/payments:

- Apply for a payment plan. (Fees may apply.) You may also apply by completing the section below, "Payment Plan Request."
- Pay online via a checking/savings account.
- Locate retail partners for cash payments. (Processing fees apply.)
- Pay by credit card. (Processing fees apply.)

Payment Plan Request

Submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ _____ per month. (Make your payments as large as possible to limit penalty and interest.)

I would like my payment to be due on the ____ of the month. (Please indicate a date between the 1st and 28th of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: () _____

Work: () _____

Name Of Taxpayer: MATTHEW J BOSSARD

04/08/2019

Identification Number:

Total

20.00.00

2004 TAX YEAR INTEREST COMPUTATION

Interest computed to	05/04/2019
Total Tax Deficiency	\$9,793.00
Plus Penalties*	
Failure to File - IRC 6651	\$2,448.25
Accuracy Related Penalty - IRC 6662	\$1,958.60
Accuracy Related Penalty - IRC 6662A	\$.00
Civil Fraud - IRC 6663	\$.00
Manually Computed Penalty	\$.00
Total Penalties Subject to Interest	\$4,406.85
Tax Deficiency and Penalties Subject to Interest	\$14,199.85

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2005--09/30/2005	168	6%	\$397.58
Compound	10/01/2005--12/31/2005	92	7%	\$259.82
Compound	01/01/2006--06/30/2006	181	7%	\$524.73
Compound	07/01/2006--12/31/2006	184	8%	\$632.94
Compound	01/01/2007--12/31/2007	365	8%	\$1,333.68
Compound	01/01/2008--03/31/2008	91	7%	\$304.55
Compound	04/01/2008--06/30/2008	91	6%	\$265.30
Compound	07/01/2008--09/30/2008	92	5%	\$226.61
Compound	10/01/2008--12/31/2008	92	6%	\$275.71
Compound	01/01/2009--03/31/2009	90	5%	\$228.50
Compound	04/01/2009--12/31/2009	275	4%	\$570.56
Compound	01/01/2010--12/31/2010	365	4%	\$784.33
Compound	01/01/2011--03/31/2011	90	3%	\$148.52
Compound	04/01/2011--09/30/2011	183	4%	\$408.22
Compound	10/01/2011--12/31/2011	92	3%	\$156.06
Compound	01/01/2012--12/31/2012	366	3%	\$630.90
Compound	01/01/2013--12/31/2013	365	3%	\$650.11
Compound	01/01/2014--12/31/2014	365	3%	\$669.91
Compound	01/01/2015--12/31/2015	365	3%	\$690.31
Compound	01/01/2016--03/31/2016	91	3%	\$174.87
Compound	04/01/2016--12/31/2016	275	4%	\$717.97
Compound	01/01/2017--12/31/2017	365	4%	\$989.65
Compound	01/01/2018--03/31/2018	90	4%	\$250.17
Compound	04/01/2018--12/31/2018	275	5%	\$978.52
Compound	01/01/2019--05/04/2019	124	6%	\$545.03

Name Of Taxpayer: MATTHEW J BOSSARD

04/08/2019

Identification Number:

Total

20.00.00

2004 TAX YEAR INTEREST COMPUTATION

Interest computed to

05/04/2019

Type	Effective Dates	Days	Rate	Interest
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Total Interest

\$12,814.55

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: MATTHEW J BOSSARD
Identification Number:

Total

04/08/2019
20.00.00

2004 - SCHEDULE D - CAPITAL GAINS AND LOSSES

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

1	Short-term capital gain or loss	10,972.00
2	Short-term capital loss carryover	0.00
3	Net Short-term Gain or Loss (Add line 1 and 2)	10,972.00

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

4	Long-term capital gain or loss	0.00
5	Long-term capital gain or loss carryover	0.00
6	Net long-term Gain or Loss (Add line 4 and 5)	0.00

Part III Summary

7	Sum of lines 3 and 6 - Net Capital Gain or Loss	10,972.00
8	Capital loss limitation	0.00
9	Capital Gain or Loss - As Corrected	10,972.00
10	Capital Gain or Loss - Per Return	0.00
11	Line 9 less line 10 - Adjustment to Income	10,972.00

CORRECTED CARRYOVER

12	Short-term Carryover to Subsequent Year	0.00
13	Long-term Carryover to Subsequent Year	0.00

28% RATE GAIN COMPUTATION

1	Tentative 28% rate gain (total of lines 1 thru 4 from worksheet)	0.00
2	Long-term capital loss carryover	0.00
3	Net short-term capital loss	0.00
4	Allowable 28% rate gain (sum of lines 1 thru 3) (if -0- or less, enter -0-)	0.00

SECTION 1250 GAIN COMPUTATION

1	Tentative Section 1250 gain (line 13 from worksheet)	0.00
2	Tentative 28% rate gain	0.00
3	Net short-term capital loss	0.00
4	Long-term capital loss carryover	0.00
5	Sum of lines 2 thru 4 (if less than -0-, enter as positive amount) (if -0- or greater, enter -0-)	0.00
6	Allowable Section 1250 gain (line 1 less line 5) (if -0- or less, enter -0-)	0.00

Form 886-A (May 2017)	Department of the Treasury - Internal Revenue Service Explanation of Items	Schedule number or exhibit
Name of taxpayer MATTHEW J BOSSARD	Tax Identification Number (last 4 digits)	Year/Period ended 2004

E-Trade Sales

Tax Period	Per Return	Per Exam	Adjustment
2004	\$0.00	\$10,972.00	\$10,972.00

We have adjusted your income to include the amount of stock and bond sales shown on Form 1099-B.

E-Trade

Tax Period	Per Return	Per Exam	Adjustment
2004	\$0.00	\$3,224.00	\$3,224.00

We have adjusted dividend income to reflect the amounts shown on Form 1099-DIV.

Corp

Tax Period	Per Return	Per Exam	Adjustment
2004	\$0.00	\$57,182.00	\$57,182.00

We have adjusted your gross wages to agree with the amounts shown on Form(s) W-2.