

Letterhead

Date

Internal Revenue Service

Address Block

Address Block

Re: Fred Flintstone and Wilma Flintstone

Dear Sir or Madam:

Please accept this letter in furtherance of the taxpayers', Fred Flintstone and Wilma Flintstone ("Taxpayers") Form 843 *Claim for Refund and Request for Abatement* for request for abatement of all penalties and interest associated with accuracy and failure to pay taxes due for 2013-2016 tax years.

The Taxpayers have had a long history of payment compliance prior to issues that arose with their former accountant, which caused the instant issues.

The Taxpayer's former accountant, Bedrock Accounting, Inc. ("Bedrock"), provided services for the Taxpayers individually and for the Taxpayer's companies, Wabba Dabbaa ("Wabba") and Doo, Inc. ("Doo") between 2012 and 2016. According to Bedrock's website, Bedrock brings "over 45 years experience to the small business owner who is faced with decreasing profitability, increasing taxes, tax notices/surprises, or simply wanting more time."

The Taxpayers entrusted Bedrock to provide accounting services and prepare and file their individual tax returns in addition to Wabba and Doo's business income return. During the period at issue, the Taxpayer had significant trouble reaching Bedrock for extended periods. Bedrock also provided tax advice to Wabba and Doo that the Taxpayers later found to have further harmed their tax situation.

After the Taxpayers became aware of the extent of their tax issues, the Taxpayers hired Barney Rubble, CPA ("Rubble") to prepare and file their individual tax returns and Wabba and Doo's tax returns. Rubble spent countless hours cleaning up Bedrock's mess so that the 2016 returns could be filed. However, unbeknownst to the Taxpayer, Rubble was amidst a divorce and would be unable to see his case through to the end. Thus, the Taxpayers lost another professional that they hired to assist with its tax problems and further delayed the filing of the return. During this period, the Taxpayers entered into an installment agreement to attempt to repay their tax liability but with their accounting in such disrepair, they were unable to make the payments.

The Taxpayers hired a third accountant, Dino, LLC ("Dino"), to finally get their accounting back on track. Dino reviewed the work of Bedrock and identified several issues (see Exhibit A, Dino's letter to Taxpayer).

The Taxpayers' 2014 income tax return prepared by Bedrock was audited which led to a \$81,090 liability as calculated in the Income Tax Examination Changes Line 11. The Taxpayers believe the correct tax liability is \$49,993. The backup documentation is enclosed with Exhibit A, as provided by the Taxpayers' current accountant, Dino.

Since 2017, the Taxpayer has made every effort to pay their taxes and maintain compliance. The Taxpayer's 2017 return was a refund. However, the Taxpayers have been left with deep debt due to the poor accounting services of Bedrock. They have two mortgages on their home, both of which are near foreclosure. The State of Connecticut has levied them due to their state tax liability. They have virtually no assets and no savings for retirement (the Taxpayers are both in their late 50s).

Further, the Taxpayers, as a result of the tax lien that was placed on them, have been unable to properly run their business. They were unable to purchase a building for Wabba's body shop due to the tax lien.

The Taxpayers clearly had no intention of disobeying the taxing statutes – they hired what they thought were competent professionals to help them the moment they started their businesses. Penalties for late payment of tax and accuracy related penalties are governed by IRC §§ 6651 and 6662. In both sections, a taxpayer can have the penalties abated if it can establish that the failure to comply with the rules was due to reasonable cause and not due to intentional disregard. 26 C.F.R. § 301.6651-1(c)(1) states:

A failure to pay will be considered to be due to reasonable cause to the extent that the taxpayer has made a satisfactory showing that he exercised ordinary business care and prudence in providing for payment of his tax liability and was nevertheless either unable to pay the tax or would suffer an undue hardship (as described in Section 1.6161-1(b) of this chapter) if he paid on the due date. In determining whether the taxpayer was unable to pay the tax in spite of the exercise of ordinary business care and prudence in providing for payment of his tax liability, consideration will be given to all facts and circumstances of the taxpayer's financial situation, including the amount and nature of the taxpayer's expenditures in light of the income (or other amounts) he could, at the time of such expenditures, reasonably expect to receive prior to the date prescribed for the payment of the tax....

The term "undue hardship" is defined in 26 C.F.R. § 1.6161-1(b):

The term "undue hardship" means more than an inconvenience to the taxpayer. It must appear that substantial financial loss, for example, loss due to the sale of property at a sacrifice price, will result to the taxpayer for making payment on the due date of the amount with respect to which the extension is desired. If a market exists, the sale of property at the current market price is not ordinarily considered as resulting in an undue hardship.

The Internal Revenue Manual explains that the Service, when deciding on abatement in the first instance, should be equitable and penalties, in fact, exist to encourage voluntary compliance

by supporting the standards of “behavior required by the Internal Revenue Code.” IRM § 20.1.1.2. In this regard, penalties should:

- Be severe enough to deter noncompliance.
- Encourage noncompliant taxpayers to comply.
- Be objectively proportioned to the offense.
- Be used as an opportunity to educate taxpayers and encourage their future compliance.

IRM § 20.1.1.2.1(8). Penalties should also relate to the standards of behavior they encourage. In making a determination as to whether there is reasonable cause, the Internal Revenue Manual says that IRS will consider the following, among other factors:

- Whether the taxpayer’s reasons address the penalty imposed;
- The taxpayer’s payment and penalty history;
- The length of time between the event cited as a reason for noncompliance and the subsequent compliance; and
- Whether the event that caused the taxpayer’s noncompliance could have reasonably been anticipated.

IRM § 20.1.1.3.1.2. Accordingly, the IRS must consider the totality of the circumstances when evaluating a request for penalty abatement. IRM § 20.1.1.3.4(3) (“Each request must be evaluated on its own merit....”)

Clearly, the problems with the professionals that the Taxpayers hired directly led to their inability to pay the taxes and the accuracy related errors on the returns. To be saddled with the additional tax penalties would harm the Taxpayers’ ability to operate their businesses as well as the Taxpayers’ actual ability to pay back taxes due. For these reasons, we respectfully request abatement of all penalties and interest associated with accuracy and failure to pay taxes due for 2013-2016 tax years.

Very truly yours,

XXX XXXX

DECLARATION OF FRED FLINTSTONE AND WILMA FLINTSTONE

Under the penalties of perjury, I, **Fred Flintstone and Wilma Flintstone**, declare that I have examined the facts presented in this statement and any accompanying information, and, to the best of knowledge and belief, they are true, correct and complete.

Date: _____

Fred Flintstone

Wilma Flintstone

June 29, 2016

VIA FEDERAL EXPRESS

SO

Internal Revenue Services

150 Court Street

New Haven, CT 06510

Re: TAXPAYER SSN xXXXX

Dear Ms. SO:

TAXPAYER had a long history of payment compliance prior to a horrific car accident in 2002, in which the taxpayer suffered lifelong injuries that have impaired her day-to-day life. Moreover, she had a long history of filing compliance until further problems arose in 2012. Due to extensive brain damage as a result of the accident, Ms. TAXPAYER has impaired cognitive ability, which has caused her to lose her job on a nearly annual basis in the highly competitive field she works in. The constant fluctuation in income and change to independent contractor employment status in 2012 has made it nearly impossible for Ms. TAXPAYER to catch up on her tax debt. She has found some stability at her current job, but is required to outlay thousands of dollars of her own money each year to cultivate new client relationships and consistently generate new work.

Ms. TAXPAYER was involved in a serious car accident on October 26, 2002. She was a passenger in a car that sustained major damage to the right side of the car due to a collision with a tree and a light pole. She sustained severe injuries, including internal brain hemorrhage and lacerations to the right arm and leg. Jaws of life were used to extricate Ms. TAXPAYER. We've included photos of the vehicle—it is hard to believe someone could survive such a horrific wreck.

Ever since the accident, Ms. TAXPAYER's life has never been the same. She sustained severe internal brain injuries which majorly impact her day to day life. She has continued word finding difficulty and difficulty thinking. The injury has impaired her short-term memory and cognitive processing.

As the medical reports detail, she suffered from Axonal shearing of the connective tissues in the brain and bleeding. She was unconscious for several days and suffered severely for years having to take speech therapy as well as physical therapy for broken joints in her writing hand and a broken ankle. In 2004-2006, she flunked the Florida bar after four attempts.

Not only has the accident taken a major toll on Ms. TAXPAYER's physical and mental wellbeing—but also her emotional state. She has had bouts of depression, an enhanced startle response, and has less energy. She is also more emotional and quicker to lose her temper (according to friends and family, Ms. TAXPAYER was previously an easy going person.)

Due to her dramatic change in personality after the accident, her then-husband walked out on her and their three children. She had to prematurely return back to work before fully recuperating, as she was now a single mother. When she returned to work in late November 2002, she was immediately pressured to generate new business. She was criticized by management that she was too emotional. Her boss fired her for "lack of effort" on March 21, 2003. She had been

with the firm 19 years. Ever since, she has been unable to hold down a job for a significant period of time.

As Dr. DOCTOR notes in his medical report, “these cognitive and emotional deficits are permanent and have seriously compromised her ability to practice as a lawyer at the level she was able to perform prior to her accident.”

In addition to three doctors’ reports, we have included a WSJ article on internal brain injuries which describes how patients are known as the "walking wounded" as the injuries are not external but still real and problematic.

As the article discusses, there are numerous issues (including inability to switch mental tracks), and if not for the medicine she takes from the doctor recommended through the National Institute of Health (NIH), she could not stay awake to work through the day and function. While she works very hard and appears normal, she cannot manage new tasks well.

The repeated loss of jobs in 2003, 2006, 2007, 2009, 2011, 2013 took a toll on Ms. TAXPAYER’s finances and emotional state. The job she had in 2012 changed her status from an employee with taxes withheld to no withholding and required her to fund extensive national and international travel to try to convince clients to switch firms. She then lost her job again in 2013 and had to start another job in 2014 with no withholding and required her to fund travel to bring in clients. She exhausted all of her pension resources due to job losses and gaps to be rehired and that made catching up with the IRS taxes nearly impossible.

The taxpayer was completely overwhelmed in 2012, starting a job where no taxes were withheld and receiving k-1s in multiple states. Even the CPA she brought them to said he was confused and they were complex and difficult. The taxpayer also lost both of her parents the prior year, after caring for her mother through her battle with liver cancer. It is also important to note that the inheritance she received in 2015 went directly to pay the underpaid taxes from a joint return with her ex-husband that he refused to help pay.

Lastly, Ms. TAXPAYER is also suffering from hypertension and now under medical care from an internist for this medical condition related to the medical damages from the accident. The stress of her tax problems have only worsened the condition.

Ms. TAXPAYER clearly had no intention of disobeying the taxing statutes. It is our contention that requiring Ms. TAXPAYER to pay penalties and interest on those penalties would not support voluntary compliance by taxpayers, as there was clearly no willful intent to disobey the taxing statutes.

Clearly, the medical problems directly led to Ms. TAXPAYER’s inability to pay the taxes or file the returns when due. For these reasons, we respectfully requests abatement of all penalties and interest associated with late filing and failure to pay taxes due for 2012-2015 tax years.

Very truly yours,

Eric L. Green

July 20, 2021

Via Federal Express

Department of the Treasury
Internal Revenue Service
Holtsville, NY 11742-0480

Re: TAXPAYERS

Dear Sir or Madam:

This office represents the above-referenced taxpayers, HUSBAND (“Mr. TAXPAYER”) and WIFE (“Mrs. TAXPAYER” or collectively with Mr. TAXPAYER, “Taxpayers”) before the Internal Revenue Service (the “IRS”). The IRS has assessed failure to file and failure to pay penalties against the Taxpayer for tax years 2017, 2018 and 2019. For the following reasons, we request that the IRS abate all penalties for tax years 2017 through and including 2019, as well as any corresponding interest from those penalties.

The Taxpayers have had a long history of complying with their federal tax obligations and have never been significantly penalized prior to tax years 2017-2019. There were a series of compelling and devastating events that directly led to their tax issues. The Taxpayers have made every effort to resolve their tax issues since the period at issue. They have (1) attempted to obtain first-time penalty abatement on tax year 2017 but were denied because there was a computer-generated penalty abatement for tax year 2014 for \$1.63 (this de minimis amount has prevented the taxpayers from abatement relief in 2017)¹ and (2) set up an installment agreement to full pay their IRS debt.

Background

Mr. TAXPAYER is the eldest of his siblings—the care of his immediate family has always fallen on his shoulders. In August of 2016, his mother was diagnosed with cancer. She was in treatment for a year (until the end of 2017). During this time, Mr. TAXPAYER spent significant time aiding in her recovery.

In September 2016, Mr. TAXPAYER’s grandfather (his mother’s father) suffered a stroke, was hospitalized and then admitted to a nursing home for a year until his passing on August 13, 2017. Mr. TAXPAYER was constantly by his side and tending to his care, as well as consoling his mother (who was still recovering from her own health issues).

In January 2017, Mrs. TAXPAYER gave birth to the Taxpayers’ tenth child. Their eldest child was 17 at the time. Having an infant in addition to tending to the needs of nine other children was overwhelming and financially difficult.

In November 2017, Mrs. TAXPAYER’s mother slipped and fell on ice—her injuries left her immobile for over a year. She underwent surgery and physical therapy during this time. Mrs. TAXPAYER, who lived in close proximity to her mother, was the one taking care of her.

¹ Ms. TAXPAYER spoke with an IRS representative who indicated the \$1.63 penalty was the reason for denial of abatement; she later called the IRS back for further clarification and was given a different reason for the denial.

Also in November of 2017, Mr. TAXPAYER's sister gave birth to a micro-preemie at 23 weeks; the baby had a very low chance of survival. Mr. TAXPAYER was the one who was there for his family at all times, giving physical and emotional support.

In January 2019, Mrs. TAXPAYER suffered a major gall stone attack, with many attacks to follow for about a year. Three of these attacks required hospitalization. It was very difficult for the family to care for their ten children, including a toddler, while Mrs. TAXPAYER was unwell.

In June of 2019, Mr. TAXPAYER's mother was diagnosed with Guillain-Barré syndrome (GBS). She was partially paralyzed for six months and completely relied on the care and support of Mr. TAXPAYER.

Penalty Abatement

In sum, from the end of 2016 until the end of 2019, it was a very tumultuous and traumatic time for the Taxpayers. While the aforementioned events were transpiring, the Taxpayers were also taking care of the needs of their family of 12. Not only was their attention diverted from focusing on their taxes, but they were unexpectedly spending money that was earmarked for taxes to help support troubled family members.

Given the myriad issues surrounding the Taxpayers from 2016-2019, the Taxpayers have reasonable cause for abatement of penalties. The Taxpayers clearly had no intention of disobeying tax laws. Requiring them to pay penalties and interest on those penalties would not support voluntary compliance by Taxpayers, as there was clearly no willful intent to disobey the taxing statutes.

These issues directly led to Mr. and Mrs. TAXPAYER's inability to pay the taxes or file the returns when due. The Taxpayers have worked tirelessly to ensure these delays do not occur again and have worked with the Service to resolve the outstanding liabilities. For these reasons, we respectfully request abatement of all penalties and interest associated with late filing and failure to pay taxes due for the 2017, 2018 and 2019 tax years.

Please call with any questions or if any additional information is required.

Very truly yours,

Amanda Evans

DECLARATION OF HUSBAND AND WIFE

Under the penalties of perjury, We, HUSBAND and WIFE TAXPAYER, declare that I have examined the facts presented in this statement and any accompanying information, and, to the best of our knowledge and belief, they are true, correct and complete.

Date: _____

HUSBAND

Date: _____

WIFE

April 9, 2020

Internal Revenue Service
Service Center Penalty Appeals Coordinator
P.O. Box 9941 TPR M/S 6731
Ogden, UT 84409

Re: Taxpayer's Father

Dear Sir or Madam:

I am writing regarding the above referenced taxpayer to respectfully request penalty abatement for tax periods 3/2017, 12/2017, 6/2018, 9/2018, 12/2018, 3/2019, 6/2019, and 9/2019.

The above referenced taxpayer suffered from Alzheimer's disease and Dementia which was diagnosed in December 2011. In 2013 the taxpayer required 24/7 home care and hired caregivers as household employees. As the taxpayer's health started deteriorating, he had a friend handle payroll for the household employees through Paychex. The taxpayer died 5 months ago. Copies of his medical diagnosis and his death certificate are attached, as is a copy of our IRS Form 2848.

The taxpayer's son then received correspondence from Paychex that made him realize Paychex had not filed quarterly 941s or the annual 940 return. Once it was brought to his attention that Paychex was not filing or paying quarterly and annual payroll tax returns and taxes, the son immediately filed missing returns and mailed payments for tax assessments.

Prior to this disease the taxpayer always maintained a good history of compliance and had no intentions on disobeying the taxing statutes. For these reasons I am respectfully requesting abatement of all penalties and interest associated with late filing and failure to pay taxes due for 2017-2019.

Very truly yours,

Amanda Evans, EA

LETTERHEAD

Date

VIA FEDERAL EXPRESS

Department of Treasury
Internal Revenue Service
Ogden, UT 84201

Re: Taxpayer's Name

Dear Sir or Madam:

Please accept this letter in furtherance of the taxpayer, PLAN NAME ("Taxpayer" or "TAXPAYER'S PLAN"), request for penalty abatement on tax year 2018.

The Taxpayer has had a long history of compliance prior to issues that arose with his accountant and his personal life, which caused the instant issue. The Taxpayer's accountant, ACCOUNTANT ("MR. ACCOUNTANT") of ACCOUNTING FIRM ("ACCOUNTING FIRM"), provided services for the Taxpayer since the early 1990s. According to New York State Division of Corporations, ACCOUNTING FIRM was established on December 9, 1992. The Taxpayer became a client shortly thereafter.

TAXPAYER, the owner of the TAXPAYER'S PLAN entrusted ACCOUNTING FIRM to provide accounting services and prepare and file his individual tax returns in addition to the preparation and filing of the Form 5500 for the Plan.

TAXPAYER is a self-employed physician, who, in addition to his medical responsibilities, manages the business of his practice. Due to his demanding career and lifestyle, he delegated his tax matters to qualified professionals. In order to ensure the TAXPAYER'S PLAN Form 5500 is prepared, TAXPAYER has duplicate copies of the TAXPAYER'S PLAN monthly brokerage statements sent directly to ACCOUNTANT (*see Exhibit A*). Because duplicate copies of the statements are sent directly to ACCOUNTANT by the brokerage house, TAXPAYER feels secure ACCOUNTANT has timely receipt of pertinent information necessary to complete Form 5500. ACCOUNTANT timely filed Form 5558 *Application for Extension* so the taxpayer had no reason to believe the return would not be prepared and filed upon its due date (*see Exhibit B*).

At the time of the due date of his 2018 Form 5500, TAXPAYER life was especially chaotic. TAXPAYER is the sole caregiver for his elderly widowed mother. In fall 2019, her dementia was quickly progressing. There was no one else in the family who could help—he has one sibling in Florida and one in California. All of his mother's care lies on his shoulders. Accordingly, his attention was diverted to caring for his mother's deteriorating health.

Further to the issues in TAXPAYER personal life, he has always faithfully relied on his accountant. ACCOUNTANT has a long history of managing TAXPAYER tax obligations in an efficient and careful way. By way of example, ACCOUNTANT timely filed Form 5558; it was sent it via certified mail and tracking information was retained. ACCOUNTANT admits that it appears the 2018 Form 5500 was never prepared; it was inadvertently missed in the very hectic October 15, 2019 filing deadline. TAXPAYER Form 5500s were timely filed for Plan Numbers 001 and 002 (*see Exhibit C*); he was mistakenly unaware that Number 003 was not prepared or filed. ACCOUNTANT has accepted fault for the missed filing.

Once ACCOUNTANT discovered that he mistakenly did not file the 2018 Form 5500 (while he was preparing the 2019 filing in October 2020), he sprang into action. He immediately filed the return and included a letter requesting abatement of the penalties. Unfortunately, it is unclear if the IRS did not review the request or simply denied it. However, due to the CP283's issuance, it appears the Taxpayer no longer qualifies under the IRS' delinquent filer program under Revenue Procedure 2015-32.

The Taxpayer timely filed the 2019 Form 5500, as he has done every year but for tax year 2018. The Taxpayer clearly had no intention of disobeying the taxing statutes. Penalties for late filing the Form 5500 are governed by IRC §§ 6652 and 6692. In section 6652, it states a taxpayer can have the penalties abated if it can establish that the failure to comply with the rules was due to reasonable cause.

Neither ACCOUNTANT nor TAXPAYER were familiar with the permanent program for Delinquent Filer Penalty Relief (Rev. Proc. 2015-32) and did not file a Form 14704, Transmittal Schedule when the 2018 Form 5500 was late filed. Given that the oversight of the unfiled return was discovered amidst a pandemic and the taxpayer had not heard of the program (which has changed form over the years and is somewhat obscure), the taxpayer respectfully requests either 1) abatement under reasonable cause or 2) entry into the program.

Please call me should you have any questions.

Very truly yours,

POA's NAME

October 8, 2020

Via Fax: xxx-xx-xxxx

Internal Revenue Service

Attn: Revenue Officer

Address

RE: ~~Tax~~ Payer

Dear Revenue Officer,

This office is counsel to the above-referenced taxpayers, Business Name.

This taxpayer hired a payroll company, Payroll Business Name, to handle its payroll. The taxpayer had funds withdrawn from their payroll account at Big Bank on a regular basis by Payroll Business Name payroll for the payment of their Federal Tax Deposits. However, it appears from the IRS transcripts received from Revenue Officer that these funds were not advanced to the IRS. The payroll company was fully responsible for the timely filings of returns and payment of payroll taxes. In all years since they began business, the payroll company had filed all the returns and advanced all the monies in a timely manner. The taxpayer had no reason to question their activities as the funds were being withdrawn from their bank account on a regular basis. When the company became aware that money it had paid did not reach the IRS it terminated its relationship with Payroll Business Name immediately. They then made sure all missing tax payments were made immediately for any missing quarter in conjunction with all filings submitted by their accountant.

Attached we have provided copies of the taxpayers payroll account bank statements showing the timely withdrawals of funds, copies of the payroll history reports and the taxpayers spreadsheets which show the amount owed to the government in payroll taxes. We request that the penalties incurred by the taxpayer for tax periods ended 3/31/2018, 6/30/2018, 9/30 2018, 12/31/2018, 3/31/2019, 6/30/2019, 9/30/2019 and 12/31/2019 for any late payments of taxes, late filing and not making their FTD's timely be abated as they did everything in their power to comply with their payroll requirements

and it is solely because of the actions of the outside payroll company that their funds were not remitted to the IRS when the payroll company had them.

If you have any questions please contact me at (XXX) XXX-XXXX.

Thank you,