

# The Newsletter

# Faucher & Associates

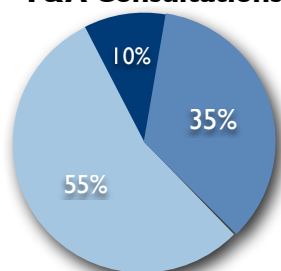
**Beware of tax law firms with more bark than bite**

## IRS Agents Not Likely to Show Up to Take Your Stuff, Freedom

Whether or not you've heard the dubious ads about resolving unpaid tax bills, let's turn down the radio for a moment and consider what the IRS actually will and will not do, and what you may even be able to do for yourself – no lawyers required.

**The IRS won't arrest you simply for owing back taxes.** While the IRS can prosecute you for tax crimes, this always involves behavior other than merely owing taxes, such as fraud. Similarly, the IRS won't take your car or house in the blink of an eye or if you owe small amounts. Such asset seizures require lengthy bureaucratic reviews, and usually occur only if the taxpayer has been uncooperative.

**Outcome of Initial F&A Consultations**



- Client to handle issue
- F&A takes the case
- F&A makes referral

So what's the point of these ads doggedly claiming the IRS will take your possessions and freedom? They entice anyone who owes the IRS to call (and rely on) the firm, rather than trying to work things out themselves. I tell many potential clients during our initial consultation how to approach the IRS on their own, and to call me only if they cannot resolve the issue themselves.

**Many people simply need to know what to do, not for me or any other lawyer to do it for them.** Of course the tax law puppy mills don't tell their clients this because they're able to make money off people's ignorance. If you don't know how the IRS works or are overwhelmed by its complexity, then you are vulnerable. It's the same dynamic with car mechanics who oversell "repairs" to owners who don't understand anything about how their car works. And whenever seeking an attorney, check online reviews and ask around, just as you would when looking for a car mechanic. Or dog breeder.

**There is no formula for how much the IRS will reduce your tax debt.** Every negotiation to reduce a tax debt is unique and depends entirely on the specifics of a taxpayer's finances. I once got a client's tax debt reduced by 99 percent, but only because that client's firm went under during the Great Recession and he had already reached retirement age, so there was no chance he'd ever earn what he owed.

**The IRS' Offer in Compromise process (see my website for details) makes it possible to reduce a tax bill based on the taxpayer's ability to pay.** The IRS doesn't care what percentage of the debt is being written off; it cares about getting paid as much of the debt as it can reasonably collect. The only way to know what the IRS might consider reasonable is to study your finances closely and to negotiate with the IRS. But tax law puppy mills will assign clients to poorly-trained and under-qualified personnel who fail to move cases along, or even return client phone calls. And you are left barking up the wrong tree.

Photo redacted for copyright issues

### THE FAQ FILE: CAN TAX FIRMS RUNNING RADIO ADS BE TRUSTED?

Well, let's do the math. A 30-second commercial on KNX, the CBS affiliate in Los Angeles, costs \$1,000. Most firms need to run several ads a day to ensure they're recognized.

With monthly ad costs easily exceeding \$100,000, the firms that air radio ads have developed competency in signing up adequate numbers of paying clients (in part to cover their advertising expenses).

Unfortunately for many of their former clients, these firms are less competent when it comes to taking care of problems with the IRS.

When my clients pay my retainer, against which I bill hourly, they know from monthly invoices on which day and for how long I was working on their behalf, and also exactly what I was doing for them. I bill only for the time I spend on a case, not for the cost of advertising, and I regularly return unused portions of retainers.

As always, more about this and related matters can be found at:

**[johndfaucher.com](http://johndfaucher.com)**

To opt out of receiving our newsletter, just let us know:

**818-889-8080**

## WELCOME TO FAUCHER & ASSOCIATES

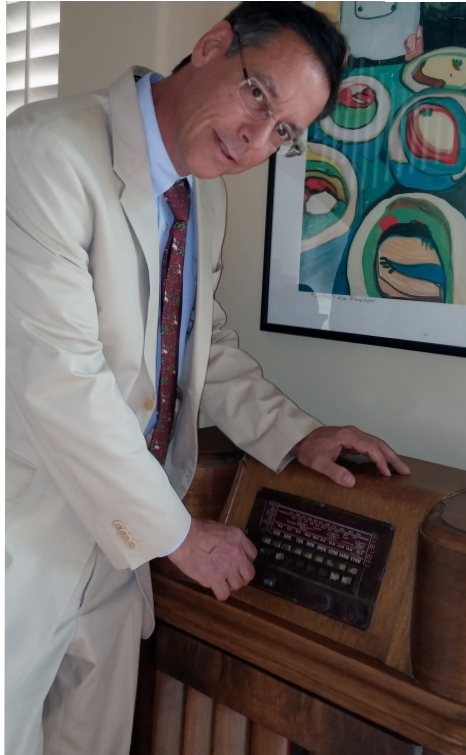
### John D. Faucher

worked for 10 years as an IRS trial attorney. He and his team speak the legal language. They know the **tax and bankruptcy** systems and can help you get the best results. Have other legal issues? Call us. We'll find the lawyer who's right for you, your friends or family.

**818-889-8080**

**johndfaucher.com**

## Lose Your Car! Your House! Your Puppy! Radio Ads More Scary Than a Tax Bill



I've recently heard many misleading radio ads from so-called tax resolution firms. Perhaps you have, too. They usually begin with a scare, something like: "If you owe \$10,000 or more, the IRS can take your car, house - even your freedom!"

Next, you'll typically hear promises about reducing an IRS bill by as much as 90 percent.

Many former clients of these tax resolution firms have eventually come to me. They say they found themselves in the legal equivalent of a puppy mill: The firms hooked clients with seductive promises but didn't disclose how poorly bred their "professionals" are. **So in this issue of The Newsletter, I'll explain how best to handle an IRS bill.** And no shaggy dog stories. I promise.

Joe Client  
456 Maple Street  
Santa Barbara, CA 93103

JOHNDFAUCHER.COM

FAUCHER & ASSOCIATES  
5743 CORSA AVENUE, SUITE 116  
WESTLAKE VILLAGE, CA 91362