

# TAX RESOLUTION TIMES

READ ABOUT TAXPAYERS WITH IRS PROBLEMS & FIND OUT HOW TO SOLVE THEM



**Angelia Hall, E.A.**  
CEO, Accounting & Tax Professional

## INSIDE THIS ISSUE:

Sister Act Goes Rogue in \$844K Embezzlement Case...Page 1

Daddy Points Finger at Daughter, Now Heading to Big House ...Page 1

He Fueled His Lifestyle with Money for the IRS...Page 2

Engineer Cheats IRS out of \$8.5 Million, Sentenced to More than 5 Years Prison Time...Page 2

Thank You!...Page 2

Tax Evader Travels the World on Taxpayers Dime...Page 3

Houdini of Tax Preparers Trapped in a Cell – No Key in Sight...Page 3

Did You Know...Page 4

IRS Question Answered...Page 4

## *Sister Act Goes Rogue in \$844K Embezzlement Case*

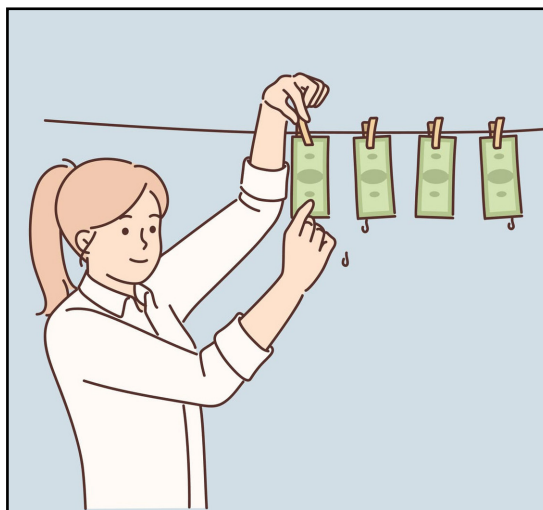
Kimberly Lovitt and Amy Williams, sisters working for a small company in Florida, were found guilty of money laundering, wire fraud and tax evasion.

Between 2016 and 2021, the siblings embezzled over

\$844,000 from their employer using corporate credit cards for unauthorized personal expenses. Lovitt, the office manager, falsified documents and manipulated accounting records to hide the fraud. Williams was the company receptionist.

Lovitt also failed to report the stolen money on her federal income taxes, adding tax evasion to her rap sheet. She was sentenced to 36 months in federal prison. Williams was sentenced to 18 months. Both women were ordered to pay restitution.

During the trial, prosecutors claimed that the theft, “Caused great financial strain on their employer and put other employees’ jobs at risk.”



## *Daddy Points Finger at Daughter, Now Heading to Big House*

Joe Limon pleaded guilty for failing to report and pay over 8.8 million dollars in employment taxes from 2013–2018, while running an employment agency in the Houston area.

After closing the agency, he opened another company under his 18-year-old daughter’s name. When the IRS began investigating the new company for unpaid employment taxes, he had his daughter submit an affidavit to the IRS claiming that the new company was a victim of identity theft and didn’t owe any

employment taxes. Limon faces a maximum penalty of five years in prison as well as a period of supervised release, restitution, and monetary penalties.



**Why do accountants have great abs?**

**Because they’re good at number crunching!**

## *He Fueled His Lifestyle with Money for the IRS*

Douglas Edelman, co-founder of defense contractors Mina Corp. and Red Star, pleaded guilty to pocketing millions in untaxed profits from U.S. Department of Defense contracts.

His companies received over seven billion dollars to supply jet fuel to U.S. military efforts post-9/11 in Afghanistan and the Middle East. Starting in 2005, he funneled distributions into Swiss bank accounts, then shifted funds to Singapore under a nominee entity tied to his daughters.

In 2010, Congress launched a probe into Mina/Red Star, but Edelman concealed his ownership by inventing a fake story involving a French partner with no U.S. tax obligations, and claimed he had no stake in the companies. At this time, he had not filed U.S. tax returns and had not paid U.S. taxes on his income.

Edelman used the money to invest in a music TV franchise in Eastern Europe, buy land in Tulum, a farm in Kenya, and homes in Ibiza and London.

He faces five years per count, supervised release, restitution, and financial penalties.

## *Engineer Cheats IRS out of \$8.5 Million, Sentenced to More than 5 Years Prison Time*

John Pigsley was sentenced to five years and 10 months in prison for orchestrating a multi-million-dollar fraud and tax evasion scheme while working as assistant chief engineer of facilities at Keolis Commuter Services, the company that operates Boston's commuter rail line.

From 2014 to 2021, Pigsley stole more than 8.5 million dollars from Keolis by funneling equipment purchases for his personal construction company through company invoices. He also purchased copper wire through Keolis, which he then sold to scrap metal companies for 4.5 million dollars in cash.

Pigsley lived lavishly, buying a 39-foot camper, a 53-foot motorcycle trailer, multiple Bobcat vehicles, souped-up trucks, \$110,000 in doors and windows, \$20,000 in countertops, and \$10,000 in window treatments for various houses he renovated.

He failed to report any of the stolen funds on his tax returns, cheating the IRS out of 2.7 million

dollars. In addition to the prison sentence, he was ordered to pay 8.5 million dollars in restitution to Keolis, 2.7 million dollars to the IRS, forfeit three properties, including his family home, and give up all the equipment, trucks, and trailers he purchased.



## *Thank You!*

Thanks to YOU, the word is spreading. Thanks to my clients and friends who graciously referred me to their friends, clients and relatives last month! I enjoy building my business based on the positive comments and referrals from people just like you.

I just couldn't do it without you!

# *Tax Evader Travels the World on Taxpayers Dime*

Jose Garcia was sentenced to 27 months in prison for his role in two crimes: a 4.5-million-dollar embezzlement scheme and a 2.1-million-dollar tax evasion.

From 2012 to 2019, Garcia collected monthly payments, between \$40,000 and \$60,000, for a no-show job with a tech firm that was arranged by co-conspirator and friend, Mark Angarola. Angarola was employed by the tech firm, and approved all the bogus invoices Garcia submitted, in exchange for kickbacks worth over one million dollars.

Garcia used the stolen funds

for personal expenses like luxury hotels – the Ritz Carlton, Waldorf Astoria, The Plaza, cruises and gentlemen’s clubs. He made purchases from Cartier, Hermes, Gucci, and even a Stradivarius violin shop in Venice.

On top of the fraud, Garcia failed to file tax returns or pay income taxes from 2011 to 2019, hiding millions in income. His actions caused a \$2,116,605 tax loss to the IRS.

In addition to the prison sentence, Garcia was ordered to forfeit \$4,554,950 and pay restitution.

## *Houdini of Tax Preparers Trapped in a Cell – No Key in Sight*

Rafael Alvarez, a tax preparer known to clients as The Magician, has been sentenced to four years in prison for masterminding a massive tax fraud scheme.

From 2010 to 2020, Alvarez operated a Bronx-based tax prep firm that filed approximately 90,000 returns, many riddled with fake deductions, bogus credits, and fabricated losses to boost refunds. To keep the fraud going as long as he did, he recruited and personally trained young, impressionable, easily intimidated employees and silenced whistleblowers with threats.

Alvarez’s decade-long deception defrauded the IRS out of 145 million dollars in tax revenue and generated 12 million dollars in illicit income, none of which he reported on his own tax returns.

He pleaded guilty to conspiracy, aiding in the preparation of false tax returns, and obstruction. In addition to the prison sentence, Alvarez was ordered to pay \$145 million in restitution and forfeit over \$11.84 million.





P.O. Box 12,  
Winston, GA 30187

## Did You Know?

In Colorado, disposable coffee cup lids are taxed as non-essential packaging, along with straws and napkins.

## I'd Like to Hear from You!

If you have an IRS issue or just want to refer a friend, relative or client, we'd love to hear from you. We can provide a no-obligation, confidential consultation to help you solve your IRS problems.

*Hall's On Post*

☎ 404-754-9917

✉ [Angelia@HallsOnPost.com](mailto:Angelia@HallsOnPost.com)



## Your IRS Questions Answered Here...

**Question:** *I own a small business and did not file or pay payroll taxes for the last few quarters. I may owe over \$100,000 in 941 taxes. What should I do?*

**Answer:** Owing 941 payroll taxes is very different than owing personal 1040 income taxes. Not only can the IRS padlock the doors to your business, but they can come after you personally, levy your personal bank accounts, confiscate your receivables, and seize your income and real property. Scariest still is that it could turn into a criminal matter. Why? Because the money has already been deducted from your employee's payroll checks; so, **it's not your money to begin with!** The IRS views this as if you stole their money. Payroll tax delinquency is the IRS's number one enforcement priority.

Acting quickly by getting help NOW greatly improves your chances for a successful resolution. The longer you wait, the more you risk this turning into a criminal matter, where your options are very limited. The IRS has special programs for business owners who have fallen behind on their payroll tax obligations. We can assess your situation and figure out the best way to protect you, take over all dealings with the IRS, and negotiate a resolution. Don't let them take everything you've worked so hard for. Penalties and interest are compound daily, just like a credit card. Don't let this balloon out of control. Call us today so we can get you protected! There is a solution!

We at Hall's On Post are experts in IRS tax problem resolution and help taxpayers with their IRS problems every day. **There is a solution to EVERY problem. Call us at 404-754-9917 today for a FREE confidential consultation.**