

TAX CONTROVERSIES

When tax issues arise, clients need counsel they can trust on their side. The firm has extensive experience in handling all phases of federal and state tax controversies, including audits, administrative appeals and tax litigation, as well as representation before the collection and criminal investigation divisions of the IRS, State of New Jersey Division of Taxation and the New York Department of Taxation and Finance.

For example, we represent clients that make voluntary disclosures of foreign bank accounts not previously disclosed and counsel them through the criminal investigation process and the resulting civil audits.

We also represent clients facing state tax assessments resulting from disputes concerning their residency or domicile, as well as “trust fund” tax disputes over responsibility for unpaid sales tax and payroll taxes. In regard to the latter, we received a favorable ruling from the New Jersey Tax Court on the application of the statute of limitations to individual trust fund assessments.

Audits

No one looks forward to being audited, but we strive to make the process less stressful, helping our clients produce the necessary documentation and advocating on their behalf with the federal and state tax authorities. A recent federal employment tax initiative has increased the number of businesses being audited, with the IRS focusing on issues involving worker classification (employee v. independent contractor), fringe benefits, officers’ compensation (excessive or unreasonably low), and reimbursed expenses.

Wealthy individuals, and those involved in frequent international transactions, are often targeted for audits as well. In those cases we have experience working in tandem with our clients’ accountants to produce the best results.