

The Ultimate Rip-Off: A Taxing Tale

The Ultimate Rip-Off: A Taxing Tale is fiction, and all the characters and adventures are imaginary. Any resemblance to actual persons living or dead is purely coincidental.

There hasn't been a member of Congress with a comprehensive understanding of the tax laws since Wilbur Mills, and I'm not a fan of Wilbur Mills.

—Stanford J. Schlesinger

Albert Einstein allegedly said that the hardest thing in the world to understand is the income tax.

Inflation is taxation without representation.

—Milton Friedman

Next to being shot at and missed, nothing is quite as satisfying as an income tax refund.

—F. J. Raymond

If you receive a tax refund you have loaned money to the federal government at an interest-free rate. Don't do it.

—D. Larry Crumbley

The Ultimate Rip-Off: A Taxing Tale

SIXTH EDITION

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CAROLINA ACADEMIC PRESS

Durham, North Carolina

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Library of Congress Cataloging-in-Publication Data

Names: Crumbley, D. Larry, author. | Walton, Stephanie, author. | Billings, Anthony, author.

Title: The ultimate rip-off : a taxing tale / by D. Larry Crumbley, Stephanie Walton, Tony Billings.

Description: Sixth edition. | Durham, North Carolina : Carolina Academic Press, [2021]

Identifiers: LCCN 2021028146 (print) | LCCN 2021028147 (ebook) | ISBN 9781531022518 (paperback) | ISBN 9781531022525 (ebook)

Subjects: LCSH: Taxation--United States--Fiction. | Income tax--Fiction. | LCGFT: Legal fiction (Literature).

Classification: LCC PS3553.R77 U48 2021 (print) | LCC PS3553.R77 (ebook) | DDC 813/.54--dc23

LC record available at <https://lcn.loc.gov/2021028146>

LC ebook record available at <https://lcn.loc.gov/2021028147>

Carolina Academic Press
700 Kent Street
Durham, North Carolina 27701
(919) 489-7486
www.cap-press.com

Printed in the United States of America

Dedicated to our parents.

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Preface

The Ultimate Rip-Off, Sixth Edition, is an exciting supplementary text for taxation, public finance, accounting, or tax research classes in a suspense thriller format. This instructional novel is ideal for an MBA program or law school that has a light coverage of taxation or accounting. The novel can be used in IRS training programs for beginning agents or in a CPA firm's in-house training program. Like TV's *CSI* and *Criminal Minds*, the novel takes taxation to a whole new level.

Featuring sleuths who handle net worth statements and financial records the way most detectives handle guns, the humorous characters put taxation and forensic accounting concepts into real life individual and business decisions. Along the way, public finance concepts, political controversies, contemporary individual and corporate tax planning, tax fraud and avoidance, and the life of IRS employees are elucidated in a way both students and instructors will find gripping as well as informative. Never dull! This educational novel is both didactic and entertaining. So, jump on board, enjoy a good read, and do not spoon-feed your students.

The use of an imaginative novel is an extension of the scenario principle. This novel mixes fraud, crime, politics, ethics, economics, and taxation together to get a better way of learning the taxation process. If used as a supplement to a taxation course or a public finance course, this gripping novel provides a painless way of learning many taxation principles. This suspenseful novel puts taxation and forensic accounting concepts into words a novice can understand and enjoy. Jeff Burke, a Dirty Harry-type Special Agent in the IRS, goes beyond the law to find several rogues who are evading taxes. Along the way, tax practices and concepts are elucidated in a way students and readers will find gripping as well as informative.

Comments and suggestions are welcomed. Thanks to the many students and faculty who have read and criticized the earlier editions. Appreciation for helpful comments and support go to Donald Ariail, Sriharsha Atluri, Nick Brignola, Tony Crumbley, Michael Davis, Brian Doherty, James Edwards, Ed Fenton, Dann Fisher, Tonya Flesher, Karyn Friske, Irv Gleim, Harold Goedde, Lenny Goodman, Jim Greenspan, Phil Harmelink, Jim Hasselback, Lester Heitger, Michael Licata, Howell Lynch, Jimmy Ma, Joe Matoney, Ed Milan, Linda Nichols, Cherie O'Neil, Marilyn Phelan, Debra Salador, Gene Seago, Josh Simer, Stevenson Smith, Suresh Sonti, Carol Sullivan, and Len Weld. Of course, any errors are ours.

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Cast of Characters

Ted Abbott, a Harvard lawyer specializing in taxation, who represents Carl Strovee and Henry Silverman.

Nick Anderson, an elite Special Agent, who works for the Treasury Inspector General for the Tax Administration Division.

Tony Blake, a Revenue Agent in Scottsdale, Arizona.

Hank Brown, a Special Agent of the Criminal Investigation Division, who works closely with Jeff Burke.

Jeff Burke, a Special Agent of the Criminal Investigation Division of the IRS.

Jimmy Callaway, the Commissioner of the IRS.

Harry Cranford, Press Secretary of the President.

B.W. Flesher, the owner of Flesher Printing Company.

Rob Fowler, a suspected “runner” for the football-betting racket in Baltimore.

Rick Garrison, a police detective in Washington, D.C.

Ben Gibson, Attorney General of the United States.

Professor Gregory, Psychology Professor at the University of Kentucky.

Richard Onner, a computer expert working in the IRS National Computer Center in Martinsburg, West Virginia.

Jason Pabst, Nick Anderson’s IRS supervisor.

Jack Rosenbaum, President of Rosenbaum, Inc., a rare coin business.

Charles Z. Samson, driver of the Sibbett Plumbing Outlet van.

Tish Scarbourg, the significant other of Richard Onner.

Henry Silverman, accountant who helped Carl Strovee cheat on his taxes.

Carl Strovee, a fraudulent psychic.

Debra Sweeney, a minister's wife in Pikeville, Kentucky.

Yvonne Talbert, a Revenue Agent.

Sam Westley, Jeff's supervisor.