

UNITED STATES TAX COURT

[REDACTED]	)	
	)	
Petitioner,	)	
	)	
v.	)	Docket No.
	)	
COMMISSIONER OF INTERNAL REVENUE,	)	
	)	
Respondent.	)	
	)	

PETITION

Petitioner hereby petitions for a redetermination of the deficiency set forth by the Commissioner of Internal Revenue in the Commissioner's notice of deficiency dated [REDACTED], and as the basis of this case alleges as follows:

1. Petitioner, is a corporation, organized under the laws of California, entity number [REDACTED], and has its principal place of business at [REDACTED].

2. Petitioner's U.S. Corporation Income Tax Return, Form 1120, for the [REDACTED] tax years were filed with the Office of the Internal Revenue Service at Fresno, California.

3. The notice of deficiency was mailed to Petitioner on or about [REDACTED], and was issued by the Examination Office

of the Internal Revenue Service, [REDACTED]

[REDACTED]. A copy of the notice, including so much of the statement and schedules accompanying the notice as is material and redacted as provided by Rule 27, is attached to this petition as Exhibit A.

4. The deficiencies, as determined by the Commissioner, are in income tax for the years and amounts as follows, all of which are in dispute:

<u>Year</u>	<u>Tax Deficiency</u>	<u>Penalty I.R.C. § 6662(a)</u>	<u>Penalty I.R.C. § 6651(a)(1)</u>
[REDACTED]	\$99,015.00	\$19,803.00	\$25,025.00
[REDACTED]	\$185,398.00	\$37,079.60	\$40,535.00
[REDACTED]	\$125,354.00	\$25,070.80	\$30,157.00
[REDACTED]	\$159,476.00	\$31,895.20	\$39,287.75

5. The determination of the tax and penalties set forth in said notice of deficiency is based on the following errors:

a. The Commissioner erred in increasing petitioner's Gross Receipts or Sales in the amount of \$68,182.00 for the [REDACTED] tax year.

b. The Commissioner erred in decreasing petitioner's Purchases in the amount of \$122,498.00 for the [REDACTED] tax year.

c. The Commissioner erred in decreasing petitioner's Commissions in the amount of \$85,068.00 for the [REDACTED] tax year.

d. The Commissioner erred in decreasing petitioner's Legal and Professional Fees in the amount of \$16,632.00 for the [REDACTED] tax year.

e. The Commissioner erred in increasing petitioner's Gross Receipts or Sales in the amount of \$167,946.00 for the [REDACTED] tax year.

f. The Commissioner erred in decreasing petitioner's Purchases in the amount of \$231,143.00 for the [REDACTED] tax year.

g. The Commissioner erred in decreasing petitioner's Commissions in the amount of \$55,390.00 for the [REDACTED] tax year.

h. The Commissioner erred in decreasing petitioner's Net Operating Loss Deduction (NOL) in the amount of \$28,628.00 for the [REDACTED] tax year.

i. The Commissioner erred in decreasing petitioner's Legal and Professional Fees in the amount of \$39,138.00 for the [REDACTED] tax year.

j. The Commissioner erred in increasing petitioner's Gross Receipts or Sales in the amount of \$12,571.00 for the [REDACTED] tax year.

k. The Commissioner erred in decreasing petitioner's Purchases in the amount of \$252,710.00 for the [REDACTED] tax year.

l. The Commissioner erred in decreasing petitioner's Commissions in the amount of \$48,056.00 for the [REDACTED] tax year.

m. The Commissioner erred in decreasing petitioner's Legal and Professional Fees in the amount of \$24,100.00 for the [REDACTED] tax year.

n. The Commissioner erred in increasing petitioner's Gross Receipts or Sales in the amount of \$91,281.00 for the [REDACTED] tax year.

o. The Commissioner erred in decreasing petitioner's Purchases in the amount of \$200,572.00 for the [REDACTED] tax year.

p. The Commissioner erred in decreasing petitioner's Commissions in the amount of \$95,972.00 for the [REDACTED] tax year.

q. The Commissioner erred in decreasing petitioner's Legal and Professional Fees in the amount of \$52,427.00 for the [REDACTED] tax year.

6. The facts upon which petitioner relies as the basis of this case are as follows:

a. The Commissioner's determination to increase petitioner's Gross Receipts or Sales for the [REDACTED] tax year is erroneous as petitioner correctly reported Gross Receipts or Sales for such year.

b. The Commissioner's determination to decrease petitioner's Purchases for the [REDACTED] tax year is erroneous as petitioner correctly reported Purchases for such year.

c. The Commissioner's determination to decrease petitioner's Commissions for the [REDACTED] tax year is erroneous as petitioner correctly reported Commissions for such year.

d. The Commissioner's determination to decrease petitioner's Legal and Professional Fees for the [REDACTED] tax year is erroneous as petitioner correctly reported Legal and Professional Fees for such year.

e. The Commissioner's determination to increase petitioner's Gross Receipts or Sales for the [REDACTED] tax year is erroneous as petitioner correctly reported Gross Receipts or Sales for such year.

f. The Commissioner's determination to decrease petitioner's Purchases for the [REDACTED] tax year is erroneous as petitioner correctly reported Purchases for such year.

g. The Commissioner's determination to decrease petitioner's Commissions for the [REDACTED] tax year is erroneous as petitioner correctly reported Commissions for such year.

h. The Commissioner's determination to decrease petitioner's Net Operating Loss Deduction (NOL) for the [REDACTED] tax year is erroneous as petitioner correctly reported Net Operating Loss Deduction (NOL) for such year.

i. The Commissioner's determination to decrease petitioner's Legal and Professional Fees for the [REDACTED] tax year

is erroneous as petitioner correctly reported Legal and Professional Fees for such year.

j. The Commissioner's determination to increase petitioner's Gross Receipts or Sales for the [REDACTED] tax year is erroneous as petitioner correctly reported Gross Receipts or Sales for such year.

k. The Commissioner's determination to decrease petitioner's Purchases for the [REDACTED] tax year is erroneous as petitioner correctly reported Purchases for such year.

l. The Commissioner's determination to decrease petitioner's Commissions for the [REDACTED] tax year is erroneous as petitioner correctly reported Commissions for such year.

m. The Commissioner's determination to decrease petitioner's Legal and Professional Fees for the [REDACTED] tax year is erroneous as petitioner correctly reported Legal and Professional Fees for such year.

n. The Commissioner's determination to increase petitioner's Gross Receipts or Sales for the [REDACTED] tax year is erroneous as petitioner correctly reported Gross Receipts or Sales for such year.

o. The Commissioner's determination to decrease petitioner's Purchases for the [REDACTED] tax year is erroneous as petitioner correctly reported Purchases for such year.

p. The Commissioner's determination to decrease petitioner's Commissions for the [REDACTED] tax year is erroneous as petitioner correctly reported Commissions for such year.

q. The Commissioner's determination to decrease petitioner's Legal and Professional Fees for the [REDACTED] tax year is erroneous as petitioner correctly reported Legal and Professional Fees for such year.

r. Assuming the Commissioner is upheld in any part of his determination, no addition to tax in the form of an accuracy related penalty on the resulting underpayment of income tax is warranted under I.R.C. § 6662. Further, petitioner had reasonable cause for taking the positions on his return and acted in good faith in doing so, as contemplated under I.R.C. § 6664(c)(1).

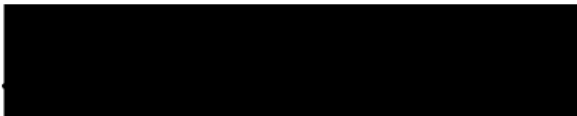
s. Assuming the Commissioner is upheld in any part of his determination, no addition to tax in the form of a late filing penalty on the resulting underpayment of income tax is warranted under I.R.C. § 6651(a).

WHEREFORE, it is prayed that the Court hear this case and determine that:

1. There are no deficiencies of tax due from petitioner for the tax years at issue;

2. There are no penalties due from petitioner under I.R.C. § 6662 or § 6651(a)(1) for the tax years at issue; and

3. Petitioner is entitled to such other and further relief that the Court may deem appropriate.



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