



The Law, Tax & IRS Business News

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“IRS Problem Resolution”

A HOMEOWNER'S nightmare

what's inside

page 2

Something fishy going on with seafood

Did you file your federal tax return by April 15?

page 3

Mother's Day is coming

Did You File Your Federal Tax Return by April 15? (continued)

page 4

Monarch butterflies becoming scarce

More and more homeowners are being hit with the rude awakening that the house they purchased once hosted a methamphetamine lab—not exactly the American Dream. Methamphetamine is an increasingly popular, highly addictive recreational drug that is disconcertingly easy to make. Remnants of meth labs have been found in homes of all economic strata.

Manufacturing or smoking this drug leaves behind a slew of dangerous toxins—lead, mercury, lithium, iodine, and poisonous solvents—exposure to which can damage the body's nervous system, the liver, and its ability to properly produce blood. Unborn children are subject to birth defects and developmental issues.

There are financial consequences as well. A homeowner may be on the hook for tens of thousands of dollars for cleanup. Nearly everything that came in contact with meth by-products needs to be torn out and replaced.

There often aren't any telltale signs of meth production in a home that would tip off a homebuyer. It might only be when a family moves



in and eventually suffers health complications. Take the following precautions when house hunting:

- Ask neighbors about the history of the house and if police visits and busts were regular occurrences there.
- A disproportionate number of homes that are meth labs are single-family homes.
- A foreclosed home may warrant further scrutiny. Some meth homes get used, trashed, abandoned...then get recycled back onto the market.
- Ask your local police and health departments if they have any pertinent information for that address.

Discerning a meth-contaminated home may best be accomplished by hiring an industrial hygienist specializing in drug-residue detection. Exhaustive testing may cost \$2,000 or more; a quick-scan evaluation approaches \$500.

Be aware of state protections. Only 23 states currently have meth-specific disclosure laws pertaining to home purchases; a mere 12 have disclosure laws concerning landlords and tenants. ■

something fishy

GOING ON
WITH SEAFOOD

The ocean conservation group, Oceana, recently released a report citing the fraudulent sale of mislabeled fish in cities throughout the United States. Oceana used genetic testing to expose the fish swaps with certainty. Common aquatic identity theft includes tilapia and tilefish being passed off as the more expensive red snapper (a frequent target), and an Asian fish called pangasius posing as an imposter for anything ranging from catfish to grouper. These examples just scratch the surface. Percentages of mislabeled fish in the Oceana report range from 18 percent in Seattle to 52 percent in the Southern California locale – high numbers no matter how you scale them.

This less-than-honest approach to selling fish at restaurants costs the public a pretty penny. Consumers pay high prices for cheap imitations. In addition, some people make decisions in their fish choices based on morality issues, which are rendered meaningless with swapped-out substitutes. Some fish are higher in mercury content as well, one example of possible health implications.

In addition to fraud, purposeful laxity in food labeling and marketing, courtesy of the Food and Drug Administration (FDA), is a co-conspirator in this fish caper. For instance, FDA rules allow fast-food chains to sell langostino as lobster when it's actually a member of the crab family.

The only real remedy is knowledge—knowing what products are likely to be “fakes” or “imitations” and frequenting establishments you trust. Government reform of marketing and food labeling might help a bit, too. ■



did you file

YOUR FEDERAL TAX RETURN BY APRIL 15?

Eight Facts on Late Filing and Late Payment Penalties

April 15 is the annual deadline for most people to file their federal income tax return and pay any taxes they owe. By law, the IRS may assess penalties to taxpayers for both failing to file a tax return and for failing to pay taxes they owe by the deadline. April 15, 2013, is now past, but if you missed that date, don't throw your hands up in despair, thinking it is too late for you to do anything. You still need to take action, and sooner is better than later. Time is not your friend if you missed the filing and paying deadline.

Here are eight important points about penalties for filing or paying late.

1. A failure-to-file penalty may apply if you did not file by the tax filing deadline. A failure-to-pay penalty may apply if you did not pay all of the taxes you owe by the tax filing deadline.
2. The failure-to-file penalty is generally more than the failure-to-pay penalty. You should file your tax return on time each year, even if you're not able to pay all the taxes you owe by the due date. You can reduce additional interest and penalties by paying as much as you can with your tax return. You should explore other payment options such as getting a loan or making an installment agreement to make payments.
3. The penalty for filing late is normally 5 percent of the unpaid taxes for each month or part of a month that a tax return is late. That penalty starts accruing the day after the tax filing due date and will not exceed 25 percent of your unpaid taxes.
4. If you do not pay your taxes by the tax deadline, you normally will face a failure-to-pay penalty of ½ of 1 percent of your unpaid taxes. That penalty applies for each month or part of a month after the due date and starts accruing the day after the tax-filing due date.
5. If you timely requested an extension of time to file your individual income tax return and paid at least 90 percent of the taxes you owe

Continued on next page.

Mother's Day is coming

Sunday May 12 is Mother's Day. While we should celebrate our mothers and be thankful to them all year long, this is a special day set aside just for them. Some mothers get flowers; some get "breakfast" in bed prepared and served by their young children; some get taken out for a special lunch.

All the mothers I know appreciate these gestures. But, more than anything, they appreciate hearing from their children, not only on Mother's Day, but on any day.

With today's technology, we should not have any trouble staying in touch – we can call, text, email, video call, even visit in person. Oh wait, the last one is not technology-based – it is just old-fashioned. But, that is probably the most favorite of most mothers.

My mother and my mother-in-law both live in the central part of the United States, and I know I will not be able to see them on Mother's Day. So, I want to take this opportunity to say, "Happy Mother's Day, Nancy and Jane."



One of my fondest memories of my mother involves my late-father, as well. Sunday was always church and family day. After Sunday School and church, we would come home for a sit-down Sunday dinner. After dinner, Mom and Dad would give us kids a respite from doing dishes, which was normally one of our chores. I remember Mom & Dad standing at the sink, shoulders touching, talking quietly, patting each other's arm, at times holding hands. I could tell by looking that they loved each other. They were demonstrating what true love means – what being partners means. Thank you, Mom and Dad!

So, if you have a fond memory of your mother, share it with her this Mother's Day. Tell her how much you appreciate her and what you have learned from her about being a good parent and spouse.

Happy Mother's Day to all mothers! May your special day bring whatever you desire. ■

May 2013 Important Dates

May 1 – May Day May 5 – Cinco de Mayo
May 12 – Mother's Day May 18 – Armed Forces Day May 27 – Memorial Day

"Did You File Your Federal Tax Return by April 15?" continued from page 2.

- with your request, you may not face a failure-to-pay penalty. However, you must pay any remaining balance by the extended due date.
6. If both the 5 percent failure-to-file penalty and the ½ percent failure-to-pay penalties apply in any month, the maximum penalty that you'll pay for both is 5 percent.
 7. If you file your return more than 60 days after the due date or extended due date, the minimum penalty is the smaller of \$135 or 100 percent of the unpaid tax.
 8. You will not have to pay a late-filing or late-payment penalty if you can show reasonable cause for not filing or paying on time.
- If, for some reason you did not file your return or request an extension by April 15, take action now to get your return done and filed, even if you cannot pay the full amount you owe. As you can see from the above information, the penalties for not filing on time are much worse than the penalties for not paying on time. If you need assistance or guidance, contact a competent tax professional. Remember, tax problems do not go away by themselves, and doing nothing changes nothing. ■

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A HOMEOWNER'S nightmare



SEE PAGE ONE

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MONARCH BUTTERFLIES becoming scarce

Each autumn, monarch butterflies migrate from Canada and the United States to their winter haven in the mountain fir forests of central Mexico. But the monarch numbers reaching their winter destination have been in decline six out of the last seven years. It is estimated that only one-fifteenth as many monarchs reach the Mexican forests today as in 1997—a statistically significant long-term trend. Experts are divided as to the precise causes.

Illegal logging in the monarch reserve has long been thought to have a disruptive effect. Increased enforcement and alternative development programs have reduced logging, but it still exists.

Disruption of water resources in Mexico may also play a role in the monarch decline. Mountain streams have been interrupted by drought and human use. Tourism in the reserve area may have an unsettling effect, too.

Factors in the United States and Canada may be contributing as well. The World Wildlife Fund believes changing climate conditions and agricultural practices are the main culprits, especially pesticide use that kills off milkweed, the main source of food for monarchs and their offspring. The loss of milkweed makes it difficult for monarchs to lay eggs and for the offspring that do hatch to find a sufficient supply of food.

Whatever the exact cause of the dwindling monarch population, Canada, the United States, and Mexico will need to work together to reverse the trend. The continued decimation of this beautiful creature would indeed be sad news for all. ■

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