

TIN	MFT	TAXPD	DATE	DLN
259-51-7291	30	201512	08-25-2024	49-247-452-30738-8

NAME AND NAME CONTROL:  
BRANDON TANKERSLEY  
TANK

REMARKS:  
SPECIAL EXTRACT - OPEN BALANCE DUE (CSED) - SAVE DLN 2018

OPR NO 4999999999

TIN 259-51-7291 TSC I DLN 49 2 47 - 452 - 307 38 - 8  
MFT 30 PERIOD 201512 PLAN 000 INPUT 02-16-2018 EMPL.NO 0376703026  
NAME CONTROL IU CYC DELAY CD 0 TRI SEQUENCE NO 0214  
INT DT 00-00-0000 PRI CD HOLD CD APPL CD DISP CD 10 EXAM RECM

TRANSACTION CODES AND AMOUNTS

300 31,235.00 .00 .00  
.00 .00 .00

REF NUMBERS AND AMOUNTS/NO CHANGE ISSUE CODES

878 78,639.00 889 12,031.00 895 78,639.00  
869 .01 877 4,500.00 786 7,072.00  
765 3,125.00- 336 1,000.00-

SETTLEMENT AMT AIMS RESULT AMT 35,360.00  
AGREEMENT DT - - CLAIM REJECTION DT - - ASED - -  
INT TO DT - - 2% INT DT - - 30/90 DT - -  
30/90 AMT  
DMF AGENCY CD 00 MATH ERROR CD  
TXPR CORRESPONDENCE DT - - CREDIT INT DT - -

CF5147

PAGE NO 868

SDNR

03/14/2018

# ATTACHMENT ALERT

CONTROLLING DLN (THIS BLOCK MUST BE COMPLETED)  
49247-452-30738-8

EMPLOYEE IDRS NUMBER: (if not IDRS user, enter first name and last name)  
0376203836

DATE PREPARED:  
3/21/2018

STOP NUMBER AND ALPHA:  
STOP 803

**DO NOT USE THIS FORM TO TRANSMIT RETURNS OR DOCUMENTS TO BE REFILED  
THIS FORM IS USED FOR THE SPECIFIC PURPOSE OF ASSOCIATING OR ATTACHING  
RETURN INFORMATION TO A RETURN IN THE FILES STORAGE AREA.**

THIS INFORMATION MUST BE THAT OF THE RETURN TO WHICH THESE ATTACHMENTS SHOULD BE ASSOCIATED.

EIN/SSN:  
259-51-7291

NAME CONTROL  
TANK

FORM:  
1040

PERIOD ENDING  
201512

## ALERT UNSERVICEABLE

(FRC Use Only)

REASON	DATE SERVICED	RESEARCHER'S NAME	NOTES
<input type="checkbox"/> BLOCK MISSING <input type="checkbox"/> WRONG DLN			
<input type="checkbox"/> WRONG TAXPAYER <input type="checkbox"/> OTHER			

## FILES INSTRUCTIONS

1. If the return is in the block, complete the association process.
2. If the return is missing or charged out, file the Form 9856 and the attachment in the return block.

## ADDITIONAL INSTRUCTIONS

Return information (i.e., schedules, W-2's, correspondence, etc.) must be transmitted to files with Form 9856, "Attachment Alert" using the controlling DLN. The control DLN can be found using CFOL Command Codes.

**DO NOT** attach workpapers and request forms that can be re-created such as: MFTRA prints, TXMOD prints, transcripts, labels, Form 2275, Form 4251, microfilmed copies of checks, etc.

Following is a list of some of the TAX class and DOC codes that should not have attachments associated with them:  
\* Except 070 and 800 blocking series

BMF	IMF	NMF	IRAF/EPMF
117 318 448 717 834 978	204 250	649	001 048
118 319 452 718 839 980	214 251	614	007 049
119 324 458 719 848	217 252		010 050
124 334 487 724 852	218 258		014 052
134 348 517 734 858	219 263		018 053
135 352 518 748 870	220 270		024 058
148 358 524 752 887	224 277		034 063
152 387 534 758 904	234 278		045 077
158 417 545 787 914	248 287		087
170 418 548 817 949	249		
187 419 552 818 950			
304 424 558 819 *963			
317 434 587 824 977			

R.O/40  
Requ.

Multiple  
Adjustments

V2

A-  CC TSCLS  
P1-6 CC AMCLS E

E = Long closure  
F = Partial closure  
I = IRA  
S = Separate Spousal Assessment  
U = Unpostable

### Examination Closing Record

References: IRM 4.4.12  
AIMS input: IRM 2.8

56 E 57 Secondary SSN Name Control  
P49-50 E

P7-18 TIN 259-51-7291		P21-22 MFT 30	P24-29 TAX PERIOD 201512	C-Operator Employee No. Date	D-Reject
P31-34 Name Control TANK		B-Name BRANDON TANKERSLEY		E-Document Locator Number	F-Cor.
Batch Position Indicator (NMF)	P36	Block Number	P38-40 30X	Sequence Number	P45-48
Secondary Spouse SSN	01-			0	AMCLSI ONLY
& Penalty Reason Code	02-	Letter Date	03-		
Letter Amount	04-				No Cent's +
2% Interest Date	05-				
& Debit Interest "To" Date	6A-				
& Credit Interest	6B-				
& Compute Interest Amount	6C-				
& Hold Code	07-	Remarks:			
Agreement Date	08-				
& Priority Code	09-				
& Interest Computation Date	11-				
# * Tax, Penalty and Interest Adjustments	12-	Trans. Code 300			31,235.00 +
	12-				
	12-				
	12-				
	12-				
	12-				
	12-				
	12-				
# Disposal Code	13-	10			
Statute Extended to	14-				
& Credit and Tax Computation Adjustments	15-	Ref. No. 878			78,639.00 +
	15-	889			12,031.00 +
	15-	895			78,639.00 +
	15-	869		1	+ +
	15-	877			4,500.00 +
	15-	786			7,072.00 +
	15-	765			(3,125.00) -
	15-	336			(1,000.00) -
IMF Issue Codes		41-			
MFT 30 Only- Required entry for no change or no change with adjustment cases. Can be input 5 times.		41-			
		41-			
		41-			
& Posting Delay Code	43-	1-6 Valid			
I-Reviewer	Date		J-CATP Case <input type="checkbox"/>		
K-Tax Examiner CTRENIA JONES	Date 02/16/2018				
Comments					
Grade of Case 32- 221R Related Return = R					
Examiner's Name 33- Huddleston, M					
Adjustment Amount 34- No Cent's					
Manual Assessment Amount 35- No Cent's					
# * Hash Total 36- 21000923 +					
Include in hash total all items as follows: P24-29, 12, 15, 18, 21, 22, 23, 28, 34, 35, 44, 46, 402, 403, 404c, 404d, 404e, 414, 415 and 418. For items 12 and 15, include only the amounts to the right of the transaction code and ignore the decimal point.					
Delinquent Return 37- T = Taxpayer R = Return					
Fraud 38- C = Civil F = Criminal B = Both					
& Disclosure Code 39-					

NOL CF Disallowed Amount	44-		No Cents +	Reason Code IMF Only	51-	119
NOL Indicator	45-			Reason Code IMF Only	52-	
Credit CF Disallowed Amount	46-		No Cents +	Reason Code IMF Only	53-	
Credit Type (Only if disallowed)	47-			Tire Count	66-	9 0 0 / / +
Primary Business Code		Must use AMSOC DC 30		Tire Count	66-	9 0 1 / / +
Whipsaw Indicator	401-		K = Key R = Related	Tire Count	66-	9 0 2 / / +
International Examiner Time	402-		Percent of Total Time (Item 28) — enter 001-100 (Eff. 1/08)	Tire Count	66-	9 0 3 / / +
International Exam Results	403-		Percent of Total Audit Results — enter 000-100 (Eff. 1/08)	Tire Count	66-	9 0 4 / / +
				Tire Count	66-	9 0 5 / / +
				SHIP-LIVES	70-	9 0 6 / / +
				ASIHP-LIVES	70-	9 0 7 / / +
			(Eff. 7/1/16)	SHIP-LIVES Oct	70-	9 0 8 / / +
			(Eff. 7/1/16)	ASIHP-LIVES Oct	70-	9 0 9 / / +

Form 720	a. Abstract Code	b. Disposal Code	c. Abstract Time	d. Abstract Examination Results	e. Abstract Claim Time
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	

RELATED RETURN INFORMATION SECTION (Enter Data from Primary Return)

↓ Attach Audit Label Here If Available ↓

405-	Primary Return TIN	406-	407-
	259-51-7291	Prim Ret. MFT	Prim Ret Tax Period
		30	201212

Check if continued on an attached page

Related Ret Alpha Code	408-	S	P = Primary Return (If Entered, Leave 405-407 Blank) S = Secondary (Related) Return
Aging Reason Code	410-		
Payment Code	411-	N	Check only one F = Full paid N = No payment P = Part paid O = Total offset
Installment Agreement Code	412-	N	Check only one I = Installment Agreement rec'd C = Coordinated with collection N = No installment agreement
Delinquent Return Amount	414-		No Cents
Amended Return Amount	415-		No Cents
Fax Agreement Indicator	416-		1 = Fax'd Agreement Received For EGC 5XXX Use Only
3121Q Amount	418-		No Cents + Only Valid for MFT 01, 11 or 14
Applicable Credit Adj Amount	422-		No Cents Only Valid for MFT 51, 52, 53 and 54
DSUE Amount	425-		No Cents Only Valid for MFT 51, 52, 53 and 54

10/02/2017

\* Required entries for partial assessments  
# Required entries for disposal code 34  
& Optional entries for disposal code 34

19.00.00

RGS Version 19.00.00

Name: TANKERSLEY, BRANDON

Year: 201512

TIN: 259-51-7291

Examiner: Huddleston, M

Examination Closing Input Document

AMCLSE259-51-7291 30 201512 IU 30X [\*]  
12-300/3123500,  
13-10,  
15-878/7863900,  
15-889/1203100,  
15-895/7863900,  
15-869/1,  
15-877/450000,  
15-786/707200,  
15-765/312500-  
15-336/100000-  
28-310,  
30-3,  
31-12,  
32-221R,  
33-Huddleston M,  
36-21000923,  
405-259-51-7291 ,  
406-30,  
407-201212,  
408-S,  
411-N,  
412-N,  
51-119,

A-  CC TSCLS  
 P1-6 CC AMCLS E

E = Long closure  
 F = Partial closure  
 I = IRA  
 S = Separate Spousal Assessment 56 E  
 U = Unpostable P49-50 E

### Examination Closing Record

References: IRM 4.4.12  
 AIMS input: IRM 2.8

57- Secondary SSN Name Control

P7-18 TIN 259-51-7291		P21-22 MFT 30	P24-29 TAX PERIOD 201512	C-Operator Employee No. Date	D-Reject
P31-34 Name Control TANK		B-Name BRANDON TANKERSLEY		E-Document Locator Number	F-Cor.
Batch Position Indicator (NMF)	P36	Block Number	P38-40 30X	Sequence Number	P45-48
Secondary Spouse SSN	01-		0	AMCLSI ONLY	
& Penalty Reason Code	02-	Letter Date	03-		
Letter Amount	04-	+ <input checked="" type="checkbox"/> No CENS			
2% Interest Date	05-				
& Debit Interest "To" Date	6A-				
& Credit Interest	6B-				
& Compute Interest Amount	6C-				
& Hold Code	07-	Remarks:			
Agreement Date	08-				
& Priority Code	09-				
& Interest Computation Date	11-				
# * Tax, Penalty and Interest Adjustments	12-	Trans. Code 300		31,235.00	+
	12-				
	12-				
	12-				
	12-				
	12-				
	12-				
	12-				
# Disposal Code	13-	10			
Statute Extended to	14-				
& Credit and Tax Computation Adjustments	15-	Ref. No. 878		78,639.00	+
	15-	889		12,031.00	+
	15-	895		78,639.00	+
	15-	869		1	+
	15-	877		4,500.00	+
	15-	786		7,072.00	+
	15-	765		(3,125.00)	-
	15-	336		(1,000.00)	-
Unagreed Amount Appealed/Petitioned & NAICS		18-	19-	4 1 0	<input checked="" type="checkbox"/> No CENS
Claim Rejn Date	20-				
# Amount Claimed	21-	<input checked="" type="checkbox"/> No CENS +			
Dollars Protected	22-	<input checked="" type="checkbox"/> No CENS +			
RBP Hours	23-	Do not include time entered in item 28.			
Claim Type	24-	RBP = CLAIM FOR REFUND ONLY			
Examiner's Time	28-	31.0	Do not include time entered in Item 23.		
Examination Technique Code	30-	3			
Examiner's Grade	31-	12			
Grade of Case	32-	221R	Related Return = R		
33-	Examiner's Name Huddleston, M				
Adjustment Amount	34-	<input checked="" type="checkbox"/> No CENS			
Manual Assessment Amount	35-	<input checked="" type="checkbox"/> No CENS			
# * Hash Total	36-	21000923			
Include in hash total all items as follows: P24-29, 12, 15, 18, 21, 22, 23, 28, 34, 35, 44, 46, 402, 403, 404c, 404d, 404e, 414, 415 and 418. For items 12 and 15, include only the amounts to the right of the transaction code and ignore the decimal point.					
Delinquent Return	37-	T = Taxpayer R = Return			
Fraud	38-	C = Civil F = Criminal B = Both			
& Disclosure Code	39-				
IMF Issue Codes	41-				
MFT 30 Only- Required entry for no change or no change with adjustment cases. Can be input 5 times.	41-				
& Posting Delay Code	43-	1-6 Valid			
I-Reviewer	Date		J-CATP Case <input type="checkbox"/>		
K-Tax Examiner	Date				
Comments					



NOL CF Disallowed Amount	44-		No Cents +	Reason Code IMF Only	51-	119
NOL Indicator	45-			Reason Code IMF Only	52-	
Credit CF Disallowed Amount	46-		No Cents +	Reason Code IMF Only	53-	
Credit Type (Only if disallowed)	47-			Tire Count	66-	9 0 0 / /
Primary Business Code		Must use AMSOC DC 30		Tire Count	66-	9 0 1 / /
Whipsaw Indicator	401-		K = Key R = Related	Tire Count	66-	9 0 2 / /
International Examiner Time	402-		Percent of Total Time (Item 28) — enter 001-100 (Eff. 1/08)	Tire Count	66-	9 0 3 / /
International Exam Results	403-		Percent of Total Audit Results — enter 000-100 (Eff. 1/08)	Tire Count	66-	9 0 4 / /
				Tire Count	66-	9 0 5 / /
				SHIP-LIVES	70-	9 0 6 / /
				ASIHP-LIVES	70-	9 0 7 / /
			(Eff. 7/1/16)	SHIP-LIVES Oct	70-	9 0 8 / /
			(Eff. 7/1/16)	ASIHP-LIVES Oct	70-	9 0 9 / /

Form 720	a. Abstract Code	b. Disposal Code	c. Abstract Time	d. Abstract Examination Results	e. Abstract Claim Time
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	

RELATED RETURN INFORMATION SECTION (Enter Data from Primary Return)

↓ Attach Audit Label Here If Available ↓

405-	Primary Return TIN	406-	Prim Ret. MFT	407-	Prim Ret Tax Period
	259-51-7291		30		201212

Related Ret Alpha Code 408- S P = Primary Return (If Entered, Leave 405-407 Blank)  
S = Secondary (Related) Return

Aging Reason Code 410-

Payment Code 411- N Check only one F = Full paid N = No payment  
P = Part paid O = Total offset

Installment Agreement Code 412- N Check only one I = Installment Agreement rec'd  
C = Coordinated with collection  
N = No installment agreement

Delinquent Return Amount 414- No Cents

Amended Return Amount 415- No Cents

Fax Agreement Indicator 416- 1 = Fax'd Agreement Received For EGC 5XXX Use Only

3121Q Amount 418- No Cents + Only Valid for MFT 01, 11 or 14

Applicable Credit Adj Amount 422- No Cents + Only Valid for MFT 51, 52, 53 and 54

DSUE Amount 425- No Cents + Only Valid for MFT 51, 52, 53 and 54

Check if continued on an attached page

10/02/2017

\* Required entries for partial assessments  
# Required entries for disposal code 34  
& Optional entries for disposal code 34

18.20.00

RGS Version 18.20.00

Name: TANKERSLEY, BRANDON

Year: 201512

TIN: 259-51-7291

Examiner: Huddleston, M

Examination Closing Input Document

AMCLSE259-51-7291 30 201512 IU 30X [\*]  
12-300/3123500,  
13-10,  
15-878/7863900,  
15-889/1203100,  
15-895/7863900,  
15-869/1,  
15-877/450000,  
15-786/707200,  
15-765/312500-,  
15-336/100000-,  
28-310,  
30-3,  
31-12,  
32-221R,  
33-Huddleston M,  
36-21000923,  
405-259-51-7291 ,  
406-30,  
407-201212,  
408-S,  
411-N,  
412-N,  
51-119,

RGS Version 18.20.00

Name: TANKERSLEY, BRANDON

Year: 201512

TIN: 259-51-7291

Examiner: Huddleston, M

Additional reference codes to be manually input.

888	87492.00
886	81505.00

Form **1040** Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2015** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2015, or other tax year beginning \_\_\_\_\_, 2015, ending \_\_\_\_\_, 20 **See separate instructions.**

Your first name and initial **Brandon** Last name **Tankersley** Your social security number **259-51-7291**  
If a joint return, spouse's first name and initial \_\_\_\_\_ Last name \_\_\_\_\_ Spouse's social security number \_\_\_\_\_

Home address (number and street). If you have a P.O. box, see instructions. **848 Grove Circle Avenue** Apt. no. \_\_\_\_\_  
▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). **Cleveland TN 37311**  
Foreign country name \_\_\_\_\_ Foreign province/state/county \_\_\_\_\_ Foreign postal code \_\_\_\_\_  
Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  You  Spouse

**Filing Status** 1  Single 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. \_\_\_\_\_  
2  Married filing jointly (even if only one had income)  
3  Married filing separately. Enter spouse's SSN above and full name here. \_\_\_\_\_ 5  Qualifying widow(er) with dependent child

**Exemptions** 6a  Yourself. If someone can claim you as a dependent, do not check box 6a } Boxes checked on 6a and 6b **1**  
b  Spouse } No. of children on 6c who:  
c **Dependents:** (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4)  if child under age 17 qual. for child tax credit (see instr.)  
● lived with you **1**  
● did not live with you due to divorce or separation (see instructions) \_\_\_\_\_  
Dependents on 6c not entered above \_\_\_\_\_  
Add numbers on lines above **2**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> if child under age 17 qual. for child tax credit (see instr.)
<b>Jaxon</b>	<b>Tankersley</b>	<b>759-12-0297</b>	<b>Son</b>	<input checked="" type="checkbox"/>

**Income** 7 Wages, salaries, tips, etc. Attach Form(s) W-2  
8a Taxable interest. Attach Schedule B if required  
b Tax-exempt interest. Do not include on line 8a 8b  
9a Ordinary dividends. Attach Schedule B if required  
b Qualified dividends 9b  
10 Taxable refunds, credits, or offsets of state and local income taxes  
11 Alimony received  
12 Business income or (loss). Attach Schedule C or C-EZ **21,087**  
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here   
14 Other gains or (losses). Attach Form 4797  
15a IRA distributions 15a Taxable amount 15b  
16a Pensions and annuities 16a Taxable amount 16b  
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E  
18 Farm income or (loss). Attach Schedule F  
19 Unemployment compensation  
20a Social security benefits 20a Taxable amount 20b  
21 Other income. List type and amount  
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income **21,087**

**Adjusted Gross Income** 23 Educator expenses  
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ  
25 Health savings account deduction. Attach Form 8889  
26 Moving expenses. Attach Form 3903  
27 Deductible part of self-employment tax. Attach Schedule SE **1,490**  
28 Self-employed SEP, SIMPLE, and qualified plans  
29 Self-employed health insurance deduction **8,334**  
30 Penalty on early withdrawal of savings  
31a Alimony paid b Recipient's SSN  
32 IRA deduction  
33 Student loan interest deduction  
34 Tuition and fees. Attach Form 8917  
35 Domestic production activities deduction. Attach Form 8903  
36 Add lines 23 through 35 **9,824**  
37 Subtract line 36 from line 22. This is your adjusted gross income **11,263**

CFINK 6505-21220R

NAME: JOE P HONEY JR

FIRST: JOE

MIDDLE: P

LAST: HONEY

SUFFIX: JR

2ND NAME:

NAME CONTROL: HONE

PTIN: P00747663

STREET: 4295 CROMWELL RD STE 305  
CITY: CHATTANOOGA  
STATE: TN ZIP: 37421-2163-803  
COUNTRY: US-USA

PHONE & FAX -----  
423-553-7220  
423-553-4435

CAF STATUS: GOOD STANDING  
AUTH LEVELS ON CAF: B

SDLN: 23-1629-49-158-43 SIGN DATE: 06-29-2016 FORM NUM: 2848

COMMENTS:

CFINK 259-51-7291

NAME: BRANDON TANKERSLEY

N/C: TANK

MF	TAXPRD	PLN	RN/C	REP-NUMBER	SIGNDATE	SDLN	FORM	LV	RCTS	AUTHS
30	201112	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201212	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201312	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201512	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201612	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
35	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U

Form 1040 (2015)

Brandon Tankersley

<b>38</b> Amount from line 37 (adjusted gross income)		<b>38</b>	<b>11,263</b>
<b>Tax and Credits</b>	<b>39a</b> Check <input type="checkbox"/> You were born before January 2, 1951, <input type="checkbox"/> Blind. <input type="checkbox"/> Total boxes checked <b>39a</b>		
	if: <input type="checkbox"/> Spouse was born before January 2, 1951, <input type="checkbox"/> Blind. <input type="checkbox"/> <b>39b</b>		
	<b>b</b> If your spouse itemizes on a separate return or you were a dual-status alien, check here <b>39b</b>		
<b>Standard Deduction for—</b> • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,300 Married filing jointly or Qualifying widow(er), \$12,600 Head of household, \$9,250	<b>40</b> Itemized deductions (from Schedule A) or your standard deduction (see left margin)	<b>40</b>	<b>9,250</b>
	<b>41</b> Subtract line 40 from line 38	<b>41</b>	<b>2,013</b>
	<b>42</b> Exemptions. If line 38 is \$154,950 or less, multiply \$4,000 by the number on line 6d. Otherwise, see instructions	<b>42</b>	<b>8,000</b>
	<b>43</b> Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	<b>43</b>	<b>0</b>
	<b>44</b> Tax (see instr.). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	<b>44</b>	<b>0</b>
	<b>45</b> Alternative minimum tax (see instructions). Attach Form 6251	<b>45</b>	
	<b>46</b> Excess advance premium tax credit repayment. Attach Form 8962	<b>46</b>	
	<b>47</b> Add lines 44, 45, and 46	<b>47</b>	
	<b>48</b> Foreign tax credit. Attach Form 1116 if required	<b>48</b>	
	<b>49</b> Credit for child and dependent care expenses. Attach Form 2441	<b>49</b>	
	<b>50</b> Education credits from Form 8863, line 19	<b>50</b>	
	<b>51</b> Retirement savings contributions credit. Attach Form 8880	<b>51</b>	
	<b>52</b> Child tax credit. Attach Schedule 8812, if required	<b>52</b>	
	<b>53</b> Residential energy credits. Attach Form 5695	<b>53</b>	
	<b>54</b> Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	<b>54</b>	
<b>55</b> Add lines 48 through 54. These are your total credits	<b>55</b>		
<b>56</b> Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	<b>56</b>	<b>0</b>	
<b>57</b> Self-employment tax. Attach Schedule SE		<b>57</b>	<b>2,980</b>
<b>58</b> Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919		<b>58</b>	
<b>59</b> Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		<b>59</b>	
<b>60a</b> Household employment taxes from Schedule H		<b>60a</b>	
<b>b</b> First-time homebuyer credit repayment. Attach Form 5405 if required		<b>60b</b>	<b>500</b>
<b>61</b> Health care: individual responsibility (see instructions) Full-year coverage <input checked="" type="checkbox"/>		<b>61</b>	
<b>62</b> Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)		<b>62</b>	
<b>63</b> Add lines 56 through 62. This is your total tax		<b>63</b>	<b>3,480</b>
<b>64</b> Federal income tax withheld from Forms W-2 and 1099		<b>64</b>	
<b>65</b> 2015 estimated tax payments and amount applied from 2014 return		<b>65</b>	
<b>Payments</b> If you have a qualifying child, attach Schedule EIC.	<b>66a</b> Earned income credit (EIC)	<b>66a</b>	<b>3,125</b>
	<b>b</b> Nontaxable combat pay election <b>66b</b>		
	<b>67</b> Additional child tax credit. Attach Schedule 8812	<b>67</b>	<b>1,000</b>
	<b>68</b> American opportunity credit from Form 8863, line 8	<b>68</b>	
	<b>69</b> Net premium tax credit. Attach Form 8962	<b>69</b>	
	<b>70</b> Amount paid with request for extension to file	<b>70</b>	
	<b>71</b> Excess social security and tier 1 RRTA tax withheld	<b>71</b>	
	<b>72</b> Credit for federal tax on fuels. Attach Form 4136	<b>72</b>	
	<b>73</b> Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	<b>73</b>	
	<b>74</b> Add lines 64, 65, 66a, and 67 through 73. These are your total payments	<b>74</b>	<b>4,125</b>
<b>75</b> If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid		<b>75</b>	<b>645</b>
<b>76a</b> Amount of line 75 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>		<b>76a</b>	<b>645</b>
<b>b</b> Routing number <input type="text"/> <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
<b>d</b> Account number <input type="text"/>			
<b>77</b> Amount of line 75 you want applied to your 2016 estimated tax		<b>77</b>	
<b>78</b> Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions		<b>78</b>	
<b>79</b> Estimated tax penalty (see instructions)		<b>79</b>	

**Refund** Do you want to allow another person to discuss this return with the IRS (see instructions)?  Yes. Complete below.  No

Personal identification number (PIN) **11291**

Phone no. **423-553-7220**

**Third Party Designee**

Designee's name **Joe P. Honey** Phone no. **423-553-7220**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature **Business Owner** Date  Your occupation **Business Owner** Daytime phone number

Spouse's signature. If a joint return, both must sign. Date  Spouse's occupation

If the IRS sent you an Identity Protection PIN, enter it here (see instr.)

**Sign Here** Joint return? See instr. Keep a copy for your records.

Print/Type preparer's name **Joe P. Honey** Preparer's signature **Joe P. Honey** Date **04/09/16** Check  if self-employed PTIN **P00747663**

**Paid** Preparer **Joe P. Honey, CPA** Firm's EIN **26-0722835**

**Use Only** Firm's address **419 North Market St Ste 200 Chattanooga TN 37405-3974** Phone no. **423-553-7220**

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2015**

Attachment Sequence No. **09**

▶ Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Department of the Treasury  
Internal Revenue Service (99)

Name of proprietor  
**Brandon Tankersley**

Social security number (SSN)  
**259-51-7291**

**A** Principal business or profession, including product or service (see instructions)  
**Moving Service**

**B** Enter code from instructions  
▶ **484110**

**C** Business name. If no separate business name, leave blank.  
**Cleveland Moving dba Southeast Movi**

**D** Employer ID number (EIN), (see instr.)

**E** Business address (including suite or room no.) ▶ **848 Grove Circle Avenue**  
City, town or post office, state, and ZIP code **Cleveland TN 37311**

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶

**G** Did you "materially participate" in the operation of this business during 2015? If "No," see instructions for limit on losses  Yes  No

**H** If you started or acquired this business during 2015, check here  Yes  No

**I** Did you make any payments in 2015 that would require you to file Form(s) 1099? (see instructions)  Yes  No

**J** If "Yes," did you or will you file required Forms 1099?  Yes  No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	1	208,013
2	Returns and allowances		2	
3	Subtract line 2 from line 1		3	208,013
4	Cost of goods sold (from line 42)		4	
5	Gross profit. Subtract line 4 from line 3		5	208,013
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7	Gross income. Add lines 5 and 6		7	208,013

**Part II Expenses. Enter expenses for business use of your home only on line 30.**

8	Advertising	8	58,351	18	Office expense (see instructions)	18	1,745
9	Car and truck expenses (see instructions)	9	51,324	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11	6,890	20a	Vehicles, machinery, and equipment	20a	11,504
12	Depletion	12		20b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	549
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	10,873
15	Insurance (other than health)	15	17,496	23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
16a	Mortgage (paid to banks, etc.)	16a		24a	Travel	24a	3,846
16b	Other	16b		24b	Deductible meals and entertainment (see instructions)	24b	4,357
17	Legal and professional services	17		25	Utilities	25	
18				26	Wages (less employment credits)	26	
19				27a	Other expenses (from line 48)	27a	19,241
20				27b	Reserved for future use	27b	
21				28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	186,176
22				29	Tentative profit or (loss). Subtract line 28 from line 7	29	21,837
23				30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: <u>1500</u> and (b) the part of your home used for business: <u>150</u> . Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	750
24				31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	21,087
25				32a	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk. <input type="checkbox"/> Some investment is not at risk.
26				32b			

Brandon Tankersley

Schedule C (Form 1040) 2015 Moving Service

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a  Cost b  Lower of cost or market c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation  Yes  No

Table with 2 columns: Description and Amount. Rows include: 35 Inventory at beginning of year, 36 Purchases less cost of items withdrawn for personal use, 37 Cost of labor, 38 Materials and supplies, 39 Other costs (See Statement 1), 40 Add lines 35 through 39, 41 Inventory at end of year, 42 Cost of goods sold.

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) See Stmt 2

44 Of the total number of miles you drove your vehicle during 2015, enter the number of miles you used your vehicle for:

a Business 89,259 b Commuting (see instructions) c Other 1,094

45 Was your vehicle available for personal use during off-duty hours? 46 Do you (or your spouse) have another vehicle available for personal use? 47a Do you have evidence to support your deduction? 47b If "Yes," is the evidence written?

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

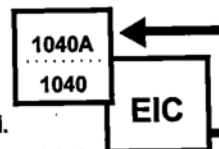
Table with 2 columns: Description and Amount. Rows include: Damages (1,708), Uniform (2,594), Tools (2,272), Merchant Services (600), Telephone (6,280), Staffing Service (420), Storage (3,700), Amortization (1,667), 48 Total other expenses (19,241).





**SCHEDULE EIC**  
(Form 1040A or 1040)

**Earned Income Credit**  
Qualifying Child Information



OMB No. 1545-0074

**2015**

Attachment Sequence No. **43**

Department of the Treasury  
Internal Revenue Service (99)

- ▶ Complete and attach to Form 1040A or 1040 only if you have a qualifying child.
- ▶ Information about Schedule EIC (Form 1040A or 1040) and its instructions is at [www.irs.gov/scheduleeic](http://www.irs.gov/scheduleeic).

Name(s) shown on return

**Brandon Tankersley**

Your social security number

**259-51-7291**

**Before you begin:**

- See the instructions for Form 1040A, lines 42a and 42b, or Form 1040, lines 66a and 66b, to make sure that (a) you can take the EIC, and (b) you have a qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2 agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.



- You can't claim the EIC for a child who didn't live with you for more than half of the year.
- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See the instructions for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.

**Qualifying Child Information**

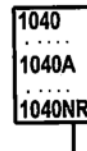
	Child 1	Child 2	Child 3
<b>1 Child's name</b> If you have more than three qualifying children, you have to list only three to get the maximum credit.	First name Last name <b>Jaxon Tankersley</b>	First name Last name	First name Last name
<b>2 Child's SSN</b> The child must have an SSN as defined in the instructions for Form 1040A, lines 42a and 42b, or Form 1040, lines 66a and 66b, unless the child was born and died in 2015. If your child was born and died in 2015 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate, death certificate, or hospital medical records.	<b>759-12-0297</b>		
<b>3 Child's year of birth</b>	Year <u>2010</u> If born after 1996 and the child is younger than you (or your spouse, if filing jointly), skip lines 4a and 4b; go to line 5.	Year _____ If born after 1996 and the child is younger than you (or your spouse, if filing jointly), skip lines 4a and 4b; go to line 5.	Year _____ If born after 1996 and the child is younger than you (or your spouse, if filing jointly), skip lines 4a and 4b; go to line 5.
<b>4a</b> Was the child under age 24 at the end of 2015, a student, and younger than you (or your spouse, if filing jointly)?	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. Go to line 4b.
<b>b</b> Was the child permanently and totally disabled during any part of 2015?	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.
<b>5 Child's relationship to you</b> (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	<b>Son</b>		
<b>6 Number of months child lived with you in the United States during 2015</b> • If the child lived with you for more than half of 2015 but less than 7 months, enter "7". • If the child was born or died in 2015 and your home was the child's home for more than half the time he or she was alive during 2015, enter "12."	<u>12</u> months Do not enter more than 12 months.	_____ months Do not enter more than 12 months.	_____ months Do not enter more than 12 months.

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule EIC (Form 1040A or 1040) 2015

**SCHEDULE 8812  
(Form 1040A or 1040)**

# Child Tax Credit



OMB No. 1545-0074

**2015**

Attachment  
Sequence No. **47**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.  
▶ Information about Schedule 8812 and its separate instructions is at  
[www.irs.gov/schedule8812](http://www.irs.gov/schedule8812).

Name(s) shown on return

Your social security number  
**259-51-7291**

**Brandon Tankersley**

## Part I Filers Who Have Certain Child Dependent(s) with an ITIN (Individual Taxpayer Identification Number)



Complete this part only for each dependent who has an ITIN and for whom you are claiming the child tax credit.  
If your dependent is not a qualifying child for the credit, you cannot include that dependent in the calculation of this credit.

Answer the following questions for each dependent listed on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c, who has an ITIN (Individual Taxpayer Identification Number) and that you indicated is a qualifying child for the child tax credit by checking column (4) for that dependent.

**A** For the first dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**B** For the second dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**C** For the third dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**D** For the fourth dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

Note: If you have more than four dependents identified with an ITIN and listed as a qualifying child for the child tax credit, see separate instructions and check here

## Part II Additional Child Tax Credit Filers

**1** If you file Form 2555 or 2555-EZ stop here, you cannot claim the additional child tax credit.

If you are required to use the worksheet in Pub. 972, enter the amount from line 8 of the Child Tax Credit Worksheet in the publication. Otherwise:

**1040 filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040, line 52).

**1040A filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040A, line 35).

**1040NR filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040NR, line 49).

**1** **1,000**

**2** Enter the amount from Form 1040, line 52; Form 1040A, line 35; or Form 1040NR, line 49

**2**

**3** Subtract line 2 from line 1. If zero, stop; you cannot take this credit

**3** **1,000**

**4a** Earned income (see separate instructions)

**4a** **19,597**

**b** Nontaxable combat pay (see separate instructions)

**4b**

**5** Is the amount on line 4a more than \$3,000?

No. Leave line 5 blank and enter -0- on line 6.

Yes. Subtract \$3,000 from the amount on line 4a. Enter the result

**5** **16,597**

**6** Multiply the amount on line 5 by 15% (.15) and enter the result

**6** **2,490**

Next. Do you have three or more qualifying children?

No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part III and enter the smaller of line 3 or line 6 on line 13.

Yes. If line 6 is equal to or more than line 3, skip Part III and enter the amount from line 3 on line 13. Otherwise, go to line 7.

**Brandon Tankersley**

259-51-7291

Schedule 8812 (Form 1040A or 1040) 2015

**Part III Certain Filers Who Have Three or More Qualifying Children**

<p><b>7</b> Withheld social security, Medicare, and Additional Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If your employer withheld or you paid Additional Medicare Tax or tier 1 RRTA taxes, see separate instructions</p>	<p>7</p>	
<p><b>8 1040 filers:</b> Enter the total of the amounts from Form 1040, lines 27 and 58, plus any taxes that you identified using code "UT" and entered on line 62.</p> <p><b>1040A filers:</b> Enter -0-.</p> <p><b>1040NR filers:</b> Enter the total of the amounts from Form 1040NR, lines 27 and 56, plus any taxes that you identified using code "UT" and entered on line 60.</p>	<p>8</p>	
<p><b>9</b> Add lines 7 and 8</p>	<p>9</p>	
<p><b>10 1040 filers:</b> Enter the total of the amounts from Form 1040, lines 66a and 71.</p> <p><b>1040A filers:</b> Enter the total of the amount from Form 1040A, line 42a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 46 (see separate instructions).</p> <p><b>1040NR filers:</b> Enter the amount from Form 1040NR, line 67.</p>	<p>10</p>	
<p><b>11</b> Subtract line 10 from line 9. If zero or less, enter -0-</p>		<p>11</p>
<p><b>12</b> Enter the larger of line 6 or line 11</p> <p>Next, enter the smaller of line 3 or line 12 on line 13.</p>		<p>12</p>

**Part IV Additional Child Tax Credit**

<p><b>13</b> This is your additional child tax credit</p>	<p>13</p> <p style="text-align: right;"><b>1,000</b></p>
<p>1040 ..... 1040A ..... 1040NR</p>	<p>Enter this amount on Form 1040, line 67, Form 1040A, line 43, or Form 1040NR, line 64.</p>

Schedule 8812 (Form 1040A or 1040) 2015

# Paid Preparer's Earned Income Credit Checklist

OMB No. 1545-1629

Form **8867**

**2015**

Department of the Treasury  
Internal Revenue Service

▶ To be completed by preparer and filed with Form 1040, 1040A, or 1040EZ.  
▶ Information about Form 8867 and its separate instructions is at [www.irs.gov/form8867](http://www.irs.gov/form8867).

Attachment  
Sequence No. 177

Taxpayer name(s) shown on return

**Brandon Tankersley**

Taxpayer's social security number

**259-51-7291**

For the definitions of Qualifying Child and Earned Income, see Pub. 596.

## Part I All Taxpayers

1 Enter preparer's name and PTIN ▶ **Joe P. Honey** **P00747663**

2 Is the taxpayer's filing status married filing separately?  Yes  No

▶ If you checked "Yes" on line 2, stop; the taxpayer cannot take the EIC. Otherwise, continue.

3 Does the taxpayer (and the taxpayer's spouse if filing jointly) have a social security number (SSN) that allows him or her to work or is valid for EIC purposes? See the instructions before answering  Yes  No

▶ If you checked "No" on line 3, stop; the taxpayer cannot take the EIC. Otherwise, continue.

4 Is the taxpayer (or the taxpayer's spouse if filing jointly) filing Form 2555 or 2555-EZ (relating to the exclusion of foreign earned income)?  Yes  No

▶ If you checked "Yes" on line 4, stop; the taxpayer cannot take the EIC. Otherwise, continue.

5a Was the taxpayer (or the taxpayer's spouse) a nonresident alien for any part of 2015?  Yes  No

▶ If you checked "Yes" on line 5a, go to line 5b. Otherwise, skip line 5b and go to line 6.

b Is the taxpayer's filing status married filing jointly?  Yes  No

▶ If you checked "Yes" on line 5a and "No" on line 5b, stop; the taxpayer cannot take the EIC. Otherwise, continue.

6 Is the taxpayer's investment income more than \$3,400? See the instructions before answering  Yes  No

▶ If you checked "Yes" on line 6, stop; the taxpayer cannot take the EIC. Otherwise, continue.

7 Could the taxpayer be a qualifying child of another person for 2015? If the taxpayer's filing status is married filing jointly, check "No." Otherwise, see instructions before answering  Yes  No

▶ If you checked "Yes" on line 7, stop; the taxpayer cannot take the EIC. Otherwise, go to Part II or Part III, whichever applies.

For Paperwork Reduction Act Notice, see separate instructions.

Form **8867** (2015)

**Brandon Tankersley**

Form 8867 (2015)

**Part II Taxpayers With a Child**

**Caution:** If there is more than one child, complete lines 8 through 14 for one child before going to the next column.

- 8 Child's name .....  
 9 Is the child the taxpayer's son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them? .....  
 10 Was the child unmarried at the end of 2015?  
 If the child was married at the end of 2015, see the instructions before answering .....  
 11 Did the child live with the taxpayer in the United States for over half of 2015?  
 See the instructions before answering .....  
 12 Was the child (at the end of 2015)—  
 • Under age 19 and younger than the taxpayer (or the taxpayer's spouse, if the taxpayer files jointly),  
 • Under age 24, a student (defined in the instructions), and younger than the taxpayer (or the taxpayer's spouse, if the taxpayer files jointly), or  
 • Any age and permanently and totally disabled? .....  
 ▶ If you checked "Yes" on lines 9, 10, 11, and 12, the child is the taxpayer's qualifying child; go to line 13a. If you checked "No" on line 9, 10, 11, or 12, the child is not the taxpayer's qualifying child; see the instructions for line 12.  
 13a Do you or the taxpayer know of another person who could check "Yes" on lines 9, 10, 11, and 12 for the child? (If the only other person is the taxpayer's spouse, see the instructions before answering.) .....  
 ▶ If you checked "No" on line 13a, go to line 14. Otherwise, go to line 13b.  
 b Enter the child's relationship to the other person(s) .....  
 c Under the tiebreaker rules, is the child treated as the taxpayer's qualifying child? See the instructions before answering .....  
 ▶ If you checked "Yes" on line 13c, go to line 14. If you checked "No," the taxpayer cannot take the EIC based on this child and cannot take the EIC for taxpayers who do not have a qualifying child. If there is more than one child, see the **Note** at the bottom of this page. If you checked "Don't know," explain to the taxpayer that, under the tiebreaker rules, the taxpayer's EIC and other tax benefits may be disallowed. Then, if the taxpayer wants to take the EIC based on this child, complete lines 14 and 15. If not, and there are no other qualifying children, the taxpayer cannot take the EIC, including the EIC for taxpayers without a qualifying child; do not complete Part III. If there is more than one child, see the **Note** at the bottom of this page.  
 14 Does the qualifying child have an SSN that allows him or her to work and is valid for EIC purposes? See the instructions before answering .....  
 ▶ If you checked "No" on line 14, the taxpayer cannot take the EIC based on this child and cannot take the EIC available to taxpayers without a qualifying child. If there is more than one child, see the **Note** at the bottom of this page. If you checked "Yes" on line 14, continue.  
 15 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2015? See instructions .....  
 ▶ If you checked "No" on line 15, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 15, the taxpayer can take the EIC. Complete **Schedule EIC** and attach it to the taxpayer's return. If there are two or three qualifying children with valid SSNs, list them on **Schedule EIC** in the same order as they are listed here. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to see if **Form 8862** must be filed. Go to line 20.

	Child 1	Child 2	Child 3
<b>Jaxon Tankersley</b>			
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

**Note:** If there is more than one child, complete lines 8 through 14 for the other child(ren) (but for no more than three qualifying children).

Form 8867 (2015)

Part III Taxpayers Without a Qualifying Child

16 Was the taxpayer's main home, and the main home of the taxpayer's spouse if filing jointly, in the United States for more than half the year? (Military personnel on extended active duty outside the United States are considered to be living in the United States during that duty period.) See the instructions before answering.

Yes  No

▶ If you checked "No" on line 16, stop; the taxpayer cannot take the EIC. Otherwise, continue.

17 Was the taxpayer, or the taxpayer's spouse if filing jointly, at least age 25 but under age 65 at the end of 2015? See the instructions before answering

Yes  No

▶ If you checked "No" on line 17, stop; the taxpayer cannot take the EIC. Otherwise, continue.

18 Is the taxpayer eligible to be claimed as a dependent on anyone else's federal income tax return for 2015? If the taxpayer's filing status is married filing jointly, check "No"

Yes  No

▶ If you checked "Yes" on line 18, stop; the taxpayer cannot take the EIC. Otherwise, continue.

19 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2015? See instructions

Yes  No

▶ If you checked "No" on line 19, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 19, the taxpayer can take the EIC. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to find out if Form 8862 must be filed. Go to line 20.

Part IV Due Diligence Requirements

20 Did you complete Form 8867 based on current information provided by the taxpayer or reasonably obtained by you?

Yes  No

21 Did you complete the EIC worksheet found in the Form 1040, 1040A, or 1040EZ instructions (or your own worksheet that provides the same information as the 1040, 1040A, or 1040EZ worksheet)?

Yes  No

22 If any qualifying child was not the taxpayer's son or daughter, do you know or did you ask why the parents were not claiming the child?

Yes  No  Does not apply

23 If the answer to question 13a is "Yes" (indicating that the child lived for more than half the year with someone else who could claim the child for the EIC), did you explain the tiebreaker rules and possible consequences of another person claiming your client's qualifying child?

Yes  No  Does not apply

24 Did you ask this taxpayer any additional questions that are necessary to meet your knowledge requirement? See the instructions before answering

Yes  No  Does not apply

**To comply with the EIC knowledge requirement, you must not know or have reason to know that any information you used to determine the taxpayer's eligibility for, and the amount of, the EIC is incorrect. You may not ignore the implications of information furnished to you or known by you, and you must make reasonable inquiries if the information furnished to you appears to be incorrect, inconsistent, or incomplete. At the time you make these inquiries, you must document in your files the inquiries you made and the taxpayer's responses.**

25 Did you document (a) the taxpayer's answer to question 22 (if applicable), (b) whether you explained the tiebreaker rules to the taxpayer and any additional information you got from the taxpayer as a result, and (c) any additional questions you asked and the taxpayer's answers?

Yes  No  Does not apply

▶ You have complied with all the due diligence requirements if you:

- Completed the actions described on lines 20 and 21 and checked "Yes" on those lines,
- Completed the actions described on lines 22, 23, 24, and 25 (if they apply) and checked "Yes" (or "Does not apply") on those lines,
- Submit Form 8867 in the manner required, and
- Keep all five of the following records for 3 years from the latest of the dates specified in the instructions under Document Retention:
  - Form 8867,
  - The EIC worksheet(s) or your own worksheet(s),
  - Copies of any taxpayer documents you relied on to determine eligibility for or amount of EIC,
  - A record of how, when, and from whom the information used to prepare the form and worksheet(s) was obtained, and
  - A record of any additional questions you asked and your client's answers.

▶ You have not complied with all the due diligence requirements if you checked "No" on line 20, 21, 22, 23, 24, or 25. You may have to pay a \$505 penalty for each failure to comply.

**Brandon Tankersley**

Form 8867 (2015)

**Part V Documents Provided to You**

26 Identify below any document that the taxpayer provided to you and that you relied on to determine the taxpayer's EIC eligibility. Check all that apply. **Keep a copy of any documents you relied on.** See the instructions before answering. If there is no qualifying child, check box a. If there is no disabled child, check box o.

**Residency of Qualifying Child(ren)**

- |                                       |   |                            |   |
|---------------------------------------|---|----------------------------|---|
| <input type="checkbox"/> a            | No qualifying child                       | <input type="checkbox"/> i | Place of worship statement                            |
| <input type="checkbox"/> b            | School records or statement               | <input type="checkbox"/> j | Indian tribal official statement                      |
| <input type="checkbox"/> c            | Landlord or property management statement | <input type="checkbox"/> k | Employer statement                                    |
| <input type="checkbox"/> d            | Health care provider statement            | <input type="checkbox"/> l | Other (specify) ▼                                     |
| <input type="checkbox"/> e            | Medical records                           |                            |   |
| <input checked="" type="checkbox"/> f | Child care provider records               |                            |   |
| <input type="checkbox"/> g            | Placement agency statement                |                            |   |
| <input type="checkbox"/> h            | Social service records or statement       | <input type="checkbox"/> m | Did not rely on any documents, but made notes in file |
|                                       |   | <input type="checkbox"/> n | Did not rely on any documents                         |

**Disability of Qualifying Child(ren)**

- |                                       |   |                            |   |
|---------------------------------------|---|----------------------------|---|
| <input checked="" type="checkbox"/> o | No disabled child                           | <input type="checkbox"/> s | Other (specify) ▼                                     |
| <input type="checkbox"/> p            | Doctor statement                            |                            |   |
| <input type="checkbox"/> q            | Other health care provider statement        |                            |   |
| <input type="checkbox"/> r            | Social services agency or program statement | <input type="checkbox"/> t | Did not rely on any documents, but made notes in file |
|                                       |   | <input type="checkbox"/> u | Did not rely on any documents                         |

27 If a Schedule C is included with this return, identify below the information that the taxpayer provided to you and that you relied on to prepare the Schedule C. Check all that apply. **Keep a copy of any documents you relied on.** See the instructions before answering. If there is no Schedule C, check box a.

**Documents or Other Information**

- |                                       |  |                            |   |
|---------------------------------------|--|----------------------------|---|
| <input type="checkbox"/> a            | No Schedule C                                  | <input type="checkbox"/> h | Bank statements                                       |
| <input type="checkbox"/> b            | Business license                               | <input type="checkbox"/> i | Reconstruction of income and expenses                 |
| <input type="checkbox"/> c            | Forms 1099                                     | <input type="checkbox"/> j | Other (specify) ▼                                     |
| <input type="checkbox"/> d            | Records of gross receipts provided by taxpayer |                            |   |
| <input type="checkbox"/> e            | Taxpayer summary of income                     |                            |   |
| <input type="checkbox"/> f            | Records of expenses provided by taxpayer       | <input type="checkbox"/> k | Did not rely on any documents, but made notes in file |
| <input checked="" type="checkbox"/> g | Taxpayer summary of expenses                   | <input type="checkbox"/> l | Did not rely on any documents                         |

Form **8867** (2015)



259-51-7291 MFT>30 TX-PRD>201512 NM-CTRL>TANK  
PRIMARY-NAME>TANKERSLEY, BRANDON JULIAN-DT>2018047  
ASED>09/12/2019X OPNG-CRTN-DT>10/14/2016  
SOURCE-CD>10 MULTI-YEAR: DIF RELATED EXAM-START-CD/DT>317 10/12/2016

ACTY-CD>271 DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0  
PBC>202 SBC>23500 POD>362  
EGC/DT>1508 10/12/2016 PRIOR-EGC/DT>0000 00/00/0000  
CURRENT-STATUS-CD/DATE PRIOR-STATUS-CD/DATE  
55 CENTRALIZED CASE PROC 01/26/2018 51 IN-TRANSIT TO CCP 01/23/2018  
PROJ-CD>0158 PICF-CD>  
XREF-DLN>17277286200006  
RET-RECVD-DT>04/15/2016 RET-PSTNG-YR>2016 UPDT-CD>E PR-UPDT-CD>E  
CAF-IND>5 TC424-CD>2

NM-LN-YR>2015 MF-NAME-LINE>BRANDON TANKERSLEY  
ADD-CHG-CYC>201731 CONT-OF-PRIMARY-NAME>  
STREET>2435 VALLEY HILLS DR NW  
CITY>CLEVELAND STATE>TN ZIP>373113528  
PCC>49 MSC SC>17 CSC

259-51-7291 MFT>30 TX-PRD>201512 NM-CTRL>TANK  
PRIMARY-NAME>TANKERSLEY, BRANDON JULIAN-DT>2018047  
AIMS-OPENING-SOURCE-CD>10 RETURN-FORM-NUMBER>1040  
TECH-SERVICES-CD/DT>365 07/28/2017 PRIOR-TECH-SERVICES-CD/DT>000

TOT-POS-INCOME-AMT>\$ 21,087 C-F-IND>1 EITC-PROJECT-CD-IND>N

EXAM-NAICS-CD>484110 RET/5546/LABELS NOT REQ

MEF RETURN

BOD-CD>SB CLIENT-CD>O OPENING-DLN>30221507814476

PICF-CD>  
PCS-1-YR-CLS-CD>

Transcript Reconciliation - 2015

NM CTRL: TANK  
 TIN: 259-51-7291

Code	Indicator	Date	Amount	Description	Type	Tax Due	Tax Paid	Interest	Penalty	Other
150		05/09/16	3,480.00	TAX ASSESSMENT-RETURN	A-TaxDue	3,480.00				
766		04/15/16	(1,000.00)	REFUNDABLE CREDIT ALLOWANCE	B-TaxPaid		(1,000.00)			
768		04/15/16	(3,125.00)	EARNED INCOME CREDIT	B-TaxPaid		(3,125.00)			
826		04/15/16	645.00	OVERPAYMENT TRANSFERED	B-TaxPaid		645.00			
971	AC: 804	05/09/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
425		10/12/16	0.00	REVERSED TC 424	E-Other					0.00
420		10/14/16	0.00	EXAMINATION INDICATOR	E-Other					0.00
960		05/11/17	0.00	ADDS CAF INDICATOR	E-Other					0.00
0										
0										
GRAND TOTALS						<u>3,480.00</u>	<u>(3,480.00)</u>	-	-	-
OUTSTANDING BALANCE						<u>-</u>				

IMFOLT259-51-7291 30201512P01 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 30221-507-81447-6 SPSSN UP-CYC:3001  
 BRANDON TANKERSLEY TOT EXEMPTIONS:02 BFS :

FSC:4 STATUS:12 STATUS DATE:05092016 AIMS :0  
 NEXT CSED:05-09-2026 ASSESSD BAL: .00 SETTLE DATE:05092016 LIEN :  
 LAST CSED:05-09-2026 TOT INTERST: .00 INTEREST DATE:06052017 BWI :  
 FIRST CSED:05-09-2026 INT ASSESSD: .00 DISASTER RDD : BWNC :0  
 ASED:04-15-2019 INT PAID: .00 DISASTERSTART: CC81 :0  
 RSED:04-15-2019 FTP TOTAL: .00 GOVERN SC:28 HIST LC:62 CC85 :0  
 FREEZE: -L FTP ASSESSD: .00 MATH IN: TDA COPY: TC914:0

INDICATORS:  
 EFT-IND:9 DDRC:00 PDC-CD:00 SBND1:00 SBND2:00 SBND3:00 MEFBI:0 ARDI :0  
 SETTLE CYC:20161605 FEB15 RFND FRZ:0 LEVY-971-IND:00

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
150	05092016	3,480.00	20161605	30221-507-81447-6	RECEIVED-DATE: 04152016
766	04152016	1,000.00-	20161605	30221-507-81447-6	REF-NUM:336
768	04152016	3,125.00-	20161605	30221-507-81447-6	
826	04152016	645.00	20161605	30221-507-81447-6	XREF30201112
971	05092016	.00	20161605	30277-507-81447-6	ACT-CD: 804 MISCCP 0049
425	10122016	.00	20164105	17277-286-20000-6	SOURCE-CD:10 SPC:0158 PBC:202 SBC:23500
		EGC:1508			

PAGE 001 OF 002 IMFPG 002 DS:R

IMFOLT259-51-7291 30201512P02 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 UP-CYC:3001

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
420	10142016	.00	20164205	17277-288-00000-6	SOURCE-CD:10 PBC:202 SBC:23500 EGC:1508
960	05112017	.00	20172005	64277-531-04989-7	

PAGE 002 OF 002 IMFPG 001 DS:R

AMDISA259-51-7291 MFT>30 TX-PRD>201512 NM-CTRL>TANK  
PRIMARY-NAME>TANKERSLEY, BRANDON JULIAN-DT>2017205  
ASED>04/15/2019 OPNG-CRTN-DT>10/14/2016  
SOURCE-CD>10 MULTI-YEAR: DIF RELATED EXAM-START-CD/DT>317 10/12/2016

DIF-SCORE> [REDACTED] (b)(3);26 U.S.C. DIF/DAS-RSN-CD>R  
ACTY-CD>271 § 6103; (b)(7)(E) DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0  
PBC>202 SBC>23500 POD>362  
EGC/DT>1508 10/12/2016 PRIOR-EGC/DT>0000 00/00/0000  
CURRENT-STATUS-CD/DATE PRIOR-STATUS-CD/DATE  
13 30-DAY 06/26/2017 12 STARTED 10/12/2016  
PROJ-CD>0158 PICF-CD>  
XREF-DLN>17277286200006  
RET-RECVD-DT>04/15/2016 RET-PSTNG-YR>2016 UPDT-CD>E PR-UPDT-CD>Q  
CAF-IND>5 TC424-CD>2

NM-LN-YR>2015 MF-NAME-LINE>BRANDON TANKERSLEY  
CONT-OF-PRIMARY-NAME>  
STREET>848 GROVE CIR NW  
CITY>CLEVELAND STATE>TN ZIP>373111772  
SC>17 CSC

Employee #2247760868 Page 001 of 003 PAGE 002

AMDISA259-51-7291 MFT>30 TX-PRD>201512 NM-CTRL>TANK  
PRIMARY-NAME>TANKERSLEY, BRANDON JULIAN-DT>2017205  
AIMS-OPENING-SOURCE-CD>10 RETURN-FORM-NUMBER>1040  
TECH-SERVICES-CD/DT>000 PRIOR-TECH-SERVICES-CD/DT>000

TOT-POS-INCOME-AMT>\$ 21,087 C-F-IND>1 EITC-PROJECT-CD-IND>N

EXAM-NAICS-CD>484110 RET/5546/LABELS NOT REQ

BOD-CD>SB CLIENT-CD>0 MEF RETURN  
OPENING-DLN>30221507814476

PICF-CD>  
PCS-1-YR-CLS-CD>

Employee #2247760868 Page 002 of 003 PAGE 003 SC>17 CSC

AMDISA259-51-7291 MFT>30 TX-PRD>201512  
PRIMARY-NAME>TANKERSLEY, BRANDON  
LAST-AMT-PUT-IN-CUM>\$ 0.00  
EXAM-CUM-ASSMNT-AMT>\$ 0.00  
MAN-ASSMNT-AMT> \$ 0  
UNAGREED-AMT> \$ 0  
EXAM-ADJ-AMT> \$ 0  
AIMS/EXAM-RESULTS> \$ 0

NM-CTRL>TANK  
JULIAN-DT>2017205

Employee #2247760868 Page 003 of 003 PAGE 001

SC>17 CSC

259-51-7291 MFT>30 TX-PRD>201512  
PRIMARY-NAME>TANKERSLEY, BRANDON  
LAST-AMT-PUT-IN-CUM>\$ 0.00  
EXAM-CUM-ASSMNT-AMT>\$ 0.00  
MAN-ASSMNT-AMT> \$ 0  
UNAGREED-AMT> \$ 0  
EXAM-ADJ-AMT> \$ 0  
AIMS/EXAM-RESULTS> \$ 0

NM-CTRL>TANK  
JULIAN-DT>2018047

259-51-7291 MFT>30 TX-PRD>201512  
PRIMARY-NAME>TANKERSLEY, BRANDON  
\*AIMS STATUS-CD HISTORY\*  
ST- STATUS ST- STATUS  
CD -CD-DT CD -CD-DT  
55 20180126 00 00000000  
51 20180123 00 00000000  
24 20171005 00 00000000  
25 20170728 00 00000000  
21 20170728 00 00000000  
13 20170626 00 00000000  
12 20161012 00 00000000  
00 00000000 00 00000000  
00 00000000 00 00000000  
00 00000000  
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00 00000000  
00 00000000

NM-CTRL>TANK  
JULIAN-DT>2018047

Department of the Treasury  
Internal Revenue Service

**FILE COPY**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

---



Department of the Treasury  
Internal Revenue Service  
Small Business/Self Employed  
Technical Services  
801 Broadway MDP 12  
Nashville, TN 37203

Date: **OCT 05 2017**

Taxpayer ID number (last 4 digits):  
7291

Form:  
1040

Tax periods:  
2012 and 2015

Person to contact:  
G. Burgess

Employee ID number:  
1000342121

Contact telephone number:  
615.250.6006

Refer reply to:  
G. Burgess

Dear Brandon Tankersley,

We did not send a copy of the enclosed Notice of Deficiency to your representative. The power of attorney granted to your representative did not authorize them to represent you for all tax periods included in the notice.

You may want to consider providing a copy of the Notice of Deficiency to your representative.

Sincerely,

*Susan M. Lamastro*  
Susan M. Lamastro  
Technical Services Territory Manager

Enclosure:  
Notice of Deficiency





**Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed**

Technical Services  
801 Broadway, Stop 12  
Nashville TN 37203

CERTIFIED MAIL

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Date: **OCT 05 2017**

Taxpayer ID number:  
259-51-7291

Form:  
1040

Person to contact:  
G. Burgess

Contact telephone number:  
615.250.6006

Contact fax number:  
877.477.3711

Employee ID number:  
1000342121

Last day to file petition with US tax court:

**JAN 03 2018**

Tax Year Ended:	December 31, 2012	December 31, 2015
Deficiency:		
Increase in tax	\$19,857.00	\$35,360.00
Penalties or Additions to Tax		
IRC 6651(a)(1)	4,964.25	
IRC 6662(a)	3,971.40	7,072.00

Dear BRANDON TANKERSLEY:

**Why we are sending you this letter**

We determined that you owe additional tax or other amounts, or both, for the tax year or years identified above. This letter is your **Notice Of Deficiency**, as required by law. The enclosed Form 4549-A, *Income Tax Discrepancy Adjustments* or Form 5278, *Statement - Income Tax Changes*, shows how we figured the deficiency.

**If you wish to challenge this determination**

If you want to challenge this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court to reconsider the deficiency.

**Information you will need**

If you have recently sought bankruptcy relief by filing a petition in bankruptcy court, see enclosed Notice 1421, *How Bankruptcy Affects Your Right to File a Petition in Tax Court in Response to a Notice of Deficiency*.

You can get a copy of the rules for filing a petition and a petition form by writing to the following address:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

- The Tax Court has a simplified procedure for small tax cases when the dispute for each tax year is \$50,000 or less.
- If you use this simplified procedure, you cannot challenge the Tax Court's decision. You can get information on the simplified procedure for small cases from the Tax Court by writing to the court at the address above or from the court's internet site at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).
- If you file a petition for multiple tax years and the dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you.

### **The law regarding married couples**

The law requires separate notices for husbands and wives. Both must sign and file the petition or each must file a separate, signed petition if this letter is addressed to both husband and wife, and both want to petition the Tax Court.

If only one spouse is in bankruptcy at the time this letter was issued or files a bankruptcy petition after the date of this letter, the bankruptcy automatic stay does not prohibit the spouse who is not in bankruptcy from filing a petition with Tax Court. The bankruptcy automatic stay of the spouse seeking bankruptcy relief does not extend the time for filing a petition in Tax Court for the spouse who is not in bankruptcy.

### **How to file your petition form**

Send the completed petition form, a copy of this letter, and copies of all statements and/or schedules you received with this letter to the Tax Court at the address above. If more than one tax year is shown above, you may file one petition form showing all of the years you are challenging.

You may represent yourself before the Tax Court, or you may be represented by anyone admitted to practice before the Tax Court.

### **The limits on filing a petition**

The time you have to file a petition in the Tax Court is set by law.

1. The petition is considered timely filed if the postmark date falls within the prescribed 90 or 150 day period and the envelope containing the petition is properly addressed with the correct postage.
2. The Tax Court cannot consider your case if your Tax Court petition is filed late. IRS cannot grant an extension or allow a suspension of the prescribed deadline, even for reasonable cause. Thus, contacting the Internal Revenue Service (IRS) for more information, or receiving other correspondence from the IRS won't change the allowable period for filing a petition with the Tax Court.

### **If you agree with the Notice of Deficiency**

If you decide not to file a petition with the Tax Court, please sign the enclosed Form 4089-B, *Notice of Deficiency - Waiver*, and return it to us at the IRS address on the top of the first page of this letter. This will permit us to assess the deficiency quickly and can help limit the accumulation of interest.

### **If we don't hear from you**

If you decide not to sign and return Form 4089-B, and you do not file a petition with the Tax Court within the time limit, the law requires us to assess and bill you for the deficiency after 90 days from the date of this letter (150 days if this letter is addressed to you outside the United States).

**Note:** If you are a C-corporation, Section 6621(c) of the Internal Revenue Code requires that we charge an interest rate two percent higher than the normal rate on corporate underpayments in excess of \$100,000.

**Information about the IRS Taxpayer Advocate Office**

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. You may be eligible for help from the Taxpayer Advocate Service (TAS) if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should. TAS is your voice at the IRS. TAS helps taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation (this includes businesses as well as individuals). You can reach TAS by calling the TAS toll-free number at 1-877-777-4778 or by contacting the local Taxpayer Advocate office at:

801 Broadway Stop 22  
Nashville, TN 37203

To learn more about TAS and your basic tax responsibilities, visit [www.TaxpayerAdvocate.irs.gov](http://www.TaxpayerAdvocate.irs.gov).

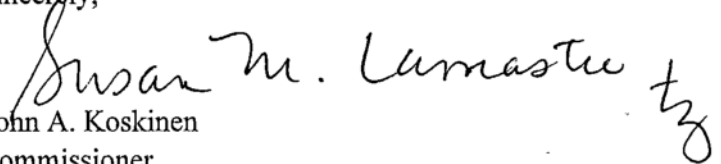
**How to contact us**

You may write or call the contact person whose name, telephone number, and IRS address are shown in the heading of this letter if you need further assistance. If you write, please include your telephone number, the best times if we need to call you and a copy of this letter to help us identify your account.

If you prefer to call and the telephone number is outside your local calling area, there may be a long distance charge to you.

Keep the original letter for your records.

Sincerely,



John A. Koskinen  
Commissioner

By  
Susan M. Lamastro, Territory Manager  
Technical Services

Enclosures:  
Form 4549-A or Form 5278  
Form 4089-A or Form 4089-B

Continuation Sheet

---

NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

---

Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

Delinquency Penalty IRC section 6651(a)(1)

Since you did not file your return within the time prescribed by law, and you did not show that not filing was due to reasonable cause, a penalty of 5 percent is added to the tax for each month or part of a month for which your return was late. The penalty will not exceed a total of 25 percent. In addition, interest is figured on this penalty from the due date of this return, (including any extension). See section 6651(a)(1) and 6601(e)(2) of the Internal Revenue Code.

Accuracy-related Penalty IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

**Notice of Deficiency-Waiver**

S:E:FE:TS:NAC:G25:TZ

Name and address of taxpayer(s)  
BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Social Security or Employer Identification Number  
259-51-7291

Kind of tax

Copy to authorized representative


Income

**DEFICIENCY — Increase in Tax and Penalties**

Tax Year Ended:	December 31, 2012	December 31, 2015
Deficiency: Increase in tax	19,857.00	35,360.00
Penalties		
IRC 6662 20%	3,971.40	7,072.00
IRC 6651(a)(1)	4,964.25	

**See the attached explanation for the above deficiencies**

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.


Your Signature  \_\_\_\_\_ (Date signed)

Spouse's Signature  
(If A Joint Return Was Filed)  \_\_\_\_\_ (Date signed)

Taxpayer's Representative Sign Here  \_\_\_\_\_ (Date signed)

Corporate Name  \_\_\_\_\_

Corporate Officers Sign Here  \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

 \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

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## Instructions for Form 4089 B

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### Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

### Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

### Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
  
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Department of the Treasury-Internal Revenue Service  
**Income Tax Examination Changes**  
**(Unagreed and Excepted Agreed)**

Name and Address of Taxpayer  BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer Identification Number 259-51-7291	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2012	Period End 12/31/2015	Period End
a. Taxable Interest	11.00	12.00	
b. Sch C1 - Expenses for Business Use of Home	620.00	750.00	
c. Sch C1 - Oth Expenses - Amortization	1,667.00	1,667.00	
d. Sch C1 - Advertising	13,779.00	58,351.00	
e. Sch C1 - Oth Expense - Labor	45,149.00		
f. Sch C1 - Utilities	3,070.00		
g. SE AGI Adjustment	(4,541.00)	(6,016.00)	
h. Sch E1 - Royalties Received		8.00	
i. Sch C1 - Insurance (Other Than Health)		17,496.00	
j. Sch C1 - Contract labor		6,890.00	
k. Self-Employed Health Insurance		8,334.00	
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	59,755.00	87,492.00	
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	3,616.00	(5,987.00)	
<b>4. Corrected Taxable Income</b>	63,371.00	81,505.00	
Tax Method	TAX TABLE	TAX TABLE	
Filing Status	Single	Head of Household	
<b>5. Tax</b>	11,874.00	14,704.00	
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	11,874.00	14,704.00	
<b>8. Less Credits</b>			
a. Child Tax Credit	550.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	11,324.00	14,704.00	
<b>10. Plus Other Taxes</b>			
a. Self Employment Tax	11,099.00	15,011.00	
b. First-Time Homebuyer Credit Repayment	500.00	5,000.00	
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	22,923.00	34,715.00	
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	3,703.00	3,480.00	
<b>13. Adjustments to:</b>			
a.			
b. Earned Income Credit		(3,125.00)	
c. Addnl Child Tax Credit	(637.00)	(1,000.00)	
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	19,857.00	35,360.00	
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	19,857.00	35,360.00	

Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2012	Period End 12/31/2015	Period End
a. Delq-IRC 6651(a) (1)	4,964.25		
b. Accuracy-IRC 6662	3,971.40	7,072.00	
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>8,935.65</b>	<b>7,072.00</b>	
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00	0.00	
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	19,857.00	35,360.00	
b. Penalties (Line 18) - computed to 10/02/2017	8,935.65	7,072.00	
c. Interest (IRC § 6601) - computed to 11/01/2017	4,736.71	2,706.67	
d. TMT Interest - computed to 11/01/2017 (on TMT underpayment)	0.00	0.00	
e. Amount due or refund - (sum of Lines a, b, c and d)	33,529.36	45,138.67	

**Other Information:**

Examiner's Signature:  
Name

Employee ID:

Office:

Date:

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
Total 18.20.00

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**2012 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	83,992.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	9,000.00
5. Multiply line 4 by .05	450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	550.00
7. Corrected tax before allowable credits	11,874.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	11,874.00
10. Child tax credit (smaller of lines 6 or 9)	550.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	550.00
2. Child tax credit allowed (line 10 above)	550.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security and Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

10/02/2017  
18.20.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2012 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2013	
3. Date return filed	11/16/2015	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax liability		22,923.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		22,923.00
9. Failure to File Penalty - line 8 multiplied by line 4		5,730.75
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		5,730.75
12. Previously assessed/previously agreed Failure to File Penalty		766.50
13. Net Failure to File Penalty - line 11 less line 12		4,964.25
14. Failure to Pay Penalty - line 8 multiplied by line 5		0.00
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		0.00
17. Total Delinquency Penalty - Sum of line 13 and 16		4,964.25

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

**Accuracy-Related Penalties under IRC 6662****20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	19,857.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	3,971.40
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	3,971.40

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	19,857.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
18.20.00

Total

2012 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	90,364.00
2. Multiply line 1 by 92.35%	83,451.15
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	83,451.15
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	110,100.00
12. Multiply the smaller of line 5 or 11 by 10.40%	8,678.92
13. Multiply line 5 by 2.90%	2,420.08
14. Self-employment tax (sum of lines 12 and 13)	11,099.00

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 10.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
18.20.00

Total

**2015 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	98,755.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	24,000.00
5. Multiply line 4 by .05	1,200.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	35,360.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	7,072.00
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	<u>7,072.00</u>

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	35,360.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	<u>0.00</u>

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

10/02/2017  
18.20.00

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**2015 - Schedule EIC - Computation of Earned Income Credit**

1. Investment income (if amount is greater than \$3,400, no credit is allowed)	8.00
2. Wages, salaries, tips, etc.	0.00
3. Taxable scholarship or fellowship grant	0.00
4. Amount paid to an inmate in a penal institution	0.00
5. Pension or annuity from nonqualified plan or 457 plan	0.00
6. Amount of any nontaxable combat pay received	0.00
7. Line 2 plus line 6 less the sum of lines 3, 4, and 5	0.00
8. Net profit or loss from self-employment less deductible part of SE tax	98,735.00
9. Earned income (sum of lines 7 and 8)	98,735.00
10. Credit allowed using the amount on line 9	0.00
11. Adjusted gross income	98,755.00
12. Credit allowed using the amount on line 11 (if applicable)	0.00
13. Earned income credit (smaller of lines 10 and 12, if applicable or zero if line 1 is greater than the yearly investment income limitation amount)	0.00

Name of Taxpayer: BRANDON TANKERSLEY 10/02/2017  
Identification Number: 259-51-7291 Total 18.20.00

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2015 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY 259-51-7291

1. Self-employment income	106,241.00
2. Multiply line 1 by 92.35%	98,113.56
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	98,113.56
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	118,500.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,166.08
13. Multiply line 5 by 2.90%	2,845.29
14. Self-employment tax (sum of lines 12 and 13)	15,011.37

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Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00



Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015

**Taxable Interest**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$0.00	\$11.00	\$11.00
2015	\$0.00	\$12.00	\$12.00

You received a Form 1099INT interest from US Bank Home Mortgage in the amounts shown above. Accordingly, taxable income is increased as shown.

**Sch C1 - Expenses for Business Use of Home**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$620.00	\$0.00	\$620.00
2015	\$750.00	\$0.00	\$750.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Oth Expenses - Amortization**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,667.00	\$0.00	\$1,667.00
2015	\$1,667.00	\$0.00	\$1,667.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Advertising**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$19,099.00	\$5,320.00	\$13,779.00
2015	\$58,351.00	\$0.00	\$58,351.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015	

**Sch C1 - Oth Expense - Labor**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$45,416.00	\$267.00	\$45,149.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Utilities**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,070.00	\$0.00	\$3,070.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,842.00	\$6,383.00	(\$4,541.00)
2015	\$1,490.00	\$7,506.00	(\$6,016.00)

Your self-employment tax for the 2012 tax year has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted based on the recomputed amount of tax as follows: If the recomputed self-employment tax is \$14,643.30 or less, the deduction is 57.51% of the recomputed self-employment tax. If the recomputed self-employment tax is more than \$14,643.30, the deduction is 50% of the recomputed self-employment tax plus \$1,100.00.

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,203.00	\$11,099.00	\$7,896.00
2015	\$2,980.00	\$15,011.00	\$12,031.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015

**Sch E1 - Royalties Received**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$0.00	\$8.00	\$8.00

You received a Form 1099MISC royalties from Coldwell and Gregory LLC in the amount shown above. Accordingly, taxable income is increased as shown.

**Sch C1 - Insurance (Other Than Health)**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$17,496.00	\$0.00	\$17,496.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Contract labor**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$6,890.00	\$0.00	\$6,890.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Self-Employed Health Insurance**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$8,334.00	\$0.00	\$8,334.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015

**FTHBC Recapture**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$500.00	\$5,000.00	\$4,500.00

You are subject to the First Time home Buyers Credit (FTHBC) recapture since your purchased home in 2008 was sold in 2015. Accordingly, tax is increased as shown.

**Statutory-Earned Income Credit**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$3,125.00	\$0.00	(\$3,125.00)

Because we changed your adjusted gross income and/or your earnings and those changes affected your modified adjusted gross income or earned income, we have also adjusted your earned income credit.

Name and Address of Taxpayer  BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer Identification Number 259-51-7291	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2012	Period End 12/31/2015	Period End
a. Taxable Interest	11.00	12.00	
b. Sch C1 - Expenses for Business Use of Home	620.00	750.00	
c. Sch C1 - Oth Expenses - Amortization	1,667.00	1,667.00	
d. Sch C1 - Advertising	13,779.00	58,351.00	
e. Sch C1 - Oth Expense - Labor	45,149.00		
f. Sch C1 - Utilities	3,070.00		
g. SE AGI Adjustment	(4,541.00)	(6,016.00)	
h. Sch E1 - Royalties Received		8.00	
i. Sch C1 - Insurance (Other Than Health)		17,496.00	
j. Sch C1 - Contract labor		6,890.00	
k. Self-Employed Health Insurance		8,334.00	
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	59,755.00	87,492.00	
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	3,616.00	(5,987.00)	
<b>4. Corrected Taxable Income</b>	63,371.00	81,505.00	
Tax Method	TAX TABLE	TAX TABLE	
Filing Status	Single	Head of Household	
<b>5. Tax</b>	11,874.00	14,704.00	
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	11,874.00	14,704.00	
<b>8. Less Credits</b>			
a. Child Tax Credit	550.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	11,324.00	14,704.00	
<b>10. Plus Other Taxes</b>			
a. Self Employment Tax	11,099.00	15,011.00	
b. First-Time Homebuyer Credit Repayment	500.00	5,000.00	
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	22,923.00	34,715.00	
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	3,703.00	3,480.00	
<b>13. Adjustments to:</b>			
a.			
b. Earned Income Credit		(3,125.00)	
c. Addnl Child Tax Credit	(637.00)	(1,000.00)	
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	19,857.00	35,360.00	
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	19,857.00	35,360.00	

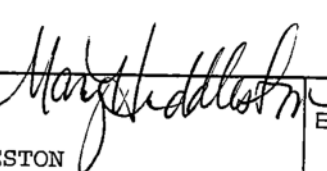
Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2012	Period End 12/31/2015	Period End
a. Delq-IRC 6651 (a) (2)	4,979.58		
b. Delq-IRC 6651 (a) (1)	4,467.83		
c. Accuracy-IRC 6662	3,971.40	7,072.00	
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>13,418.81</b>	<b>7,072.00</b>	
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00	0.00	
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	19,857.00	35,360.00	
b. Penalties (Line 18) - computed to 06/22/2017	13,418.81	7,072.00	
c. Interest (IRC § 6601) - computed to 07/22/2017	4,288.76	2,204.94	
d. TMT Interest - computed to 07/22/2017 (on TMT underpayment)	0.00	0.00	
e. Amount due or refund - (sum of Lines a, b, c and d)	37,564.57	44,636.94	

**Other Information:**

Examiner's Signature: 	Employee ID: 1000848025	Office:	Date: 06/22/2017
Name MARY K HUDDLESTON			

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291 Total

06/22/2017  
18.20.00

**2012 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	83,992.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	9,000.00
5. Multiply line 4 by .05	450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	550.00
7. Corrected tax before allowable credits	11,874.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	11,874.00
10. Child tax credit (smaller of lines 6 or 9)	550.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	550.00
2. Child tax credit allowed (line 10 above)	550.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security and Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2012 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2013	
3. Date return filed	11/16/2015	
4. Failure to File penalty rate	0.225	
5. Failure to Pay penalty rate	0.250	
6. Total corrected tax liability		22,923.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		22,923.00
9. Failure to File Penalty - line 8 multiplied by line 4		5,157.68
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		5,157.68
12. Previously assessed/previously agreed Failure to File Penalty		689.85
13. Net Failure to File Penalty - line 11 less line 12		4,467.83
14. Failure to Pay Penalty - line 8 multiplied by line 5		5,730.75
15. Previously assessed/previously agreed Failure to Pay Penalty		751.17
16. Net Failure to Pay Penalty - line 14 less line 15 *		4,979.58
17. Total Delinquency Penalty - Sum of line 13 and 16		9,447.41

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.



**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	19,857.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	3,971.40
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	3,971.40

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	19,857.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Name Of Taxpayer: BRANDON TANKERSLEY

06/22/2017

Identification Number: 259-51-7291

Total

18.20.00

2012 TAX YEAR INTEREST COMPUTATION

Interest computed to 07/22/2017

Total Tax Deficiency \$19,857.00

Plus Penalties\*

Failure to File - IRC 6651	\$4,467.83
Accuracy Related Penalty - IRC 6662	\$3,971.40
Accuracy Related Penalty - IRC 6662A	\$0.00
Civil Fraud - IRC 6663	\$0.00
Manually Computed Penalty	\$0.00

Total Penalties Subject to Interest \$8,439.23

Tax Deficiency and Penalties Subject to Interest \$28,296.23

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2013--12/31/2013	260	3%	\$611.17
Compound	01/01/2014--12/31/2014	365	3%	\$880.32
Compound	01/01/2015--12/31/2015	365	3%	\$907.13
Compound	01/01/2016--03/31/2016	91	3%	\$229.80
Compound	04/01/2016--12/31/2016	275	4%	\$943.48
Compound	01/01/2017--07/22/2017	203	4%	\$716.86

Total Interest \$4,288.76

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
18.20.00

Total

2012 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	90,364.00
2. Multiply line 1 by 92.35%	83,451.15
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	83,451.15
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	110,100.00
12. Multiply the smaller of line 5 or 11 by 10.40%	8,678.92
13. Multiply line 5 by 2.90%	2,420.08
14. Self-employment tax (sum of lines 12 and 13)	11,099.00

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W 2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 10.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name of Taxpayer: BRANDON TANKERSLEY

Identification Number: 259-51-7291

Total

06/22/2017

18.20.00

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**2015 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	98,755.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	24,000.00
5. Multiply line 4 by .05	1,200.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	35,360.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	7,072.00
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	<u>7,072.00</u>

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	35,360.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	<u>0.00</u>

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
Total 18.20.00

### HOW TO PAY YOUR TAXES

If you agree with our examination, pay now by sending a check or money order payable to United States Treasury and your signed agreement. The enclosed report does not reflect any balance currently due on your account.

Why it is to your advantage to pay now:

- Decreases future interest charges
- Prevents assessment of failure to pay penalty
- Reduces payment of nondeductible interest
- Eliminates further contact with us

If you agree with our examination and cannot pay now:

- 1) Can you pay the full amount within 120 days?  Yes  No
  - If yes, send in the signed agreement now and submit the balance due when you receive a bill. Checks should be made payable to United States Treasury.
  - If no, you may be eligible for a payment plan.
- 2) If you would like us to consider an installment agreement, submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ \_\_\_\_\_ per month.

(We encourage you to make your payments as large as possible to limit penalty and interest charges.)

I would like my payment to be due on the \_\_\_\_\_ of the month.

(Please indicate a date between the 1<sup>st</sup> and 28<sup>th</sup> of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: (    ) \_\_\_\_\_

Work: (    ) \_\_\_\_\_

ALSO, if you agree with our examination, PLEASE SIGN PAGE 2 OF THE REPORT (Form 4549) and return pages 1 and 2 to us.

\* Interest and applicable penalties will continue to accrue until your balance is paid in full.

\* All checks or money orders for payment should be made payable to United States Treasury.

Name Of Taxpayer: BRANDON TANKERSLEY

06/22/2017

Identification Number: 259-51-7291

Total

18.20.00

2015 TAX YEAR INTEREST COMPUTATION

Interest computed to 07/22/2017

Total Tax Deficiency \$35,360.00

Plus Penalties\*

Failure to File - IRC 6651	\$ .00
Accuracy Related Penalty - IRC 6662	\$7,072.00
Accuracy Related Penalty - IRC 6662A	\$ .00
Civil Fraud - IRC 6663	\$ .00
Manually Computed Penalty	\$ .00

Total Penalties Subject to Interest \$7,072.00

Tax Deficiency and Penalties Subject to Interest \$42,432.00

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2016--06/30/2016	76	4%	\$353.89
Compound	07/01/2016--09/30/2016	92	4%	\$432.34
Compound	10/01/2016--12/31/2016	92	4%	\$436.71
Compound	01/01/2017--03/31/2017	90	4%	\$432.68
Compound	04/01/2017--06/30/2017	91	4%	\$441.84
Compound	07/01/2017--07/22/2017	22	4%	\$107.48

Total Interest \$2,204.94

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

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**2015 - Schedule EIC - Computation of Earned Income Credit**

1. Investment income (if amount is greater than \$3,400, no credit is allowed)	8.00
2. Wages, salaries, tips, etc.	0.00
3. Taxable scholarship or fellowship grant	0.00
4. Amount paid to an inmate in a penal institution	0.00
5. Pension or annuity from nonqualified plan or 457 plan	0.00
6. Amount of any nontaxable combat pay received	0.00
7. Line 2 plus line 6 less the sum of lines 3, 4, and 5	0.00
8. Net profit or loss from self-employment less deductible part of SE tax	98,735.00
9. Earned income (sum of lines 7 and 8)	98,735.00
10. Credit allowed using the amount on line 9	0.00
11. Adjusted gross income	98,755.00
12. Credit allowed using the amount on line 11 (if applicable)	0.00
13. Earned income credit (smaller of lines 10 and 12, if applicable or zero if line 1 is greater than the yearly investment income limitation amount)	0.00



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
18.20.00

Total

2015 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	106,241.00
2. Multiply line 1 by 92.35%	98,113.56
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	98,113.56
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	118,500.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,166.08
13. Multiply line 5 by 2.90%	2,845.29
14. Self-employment tax (sum of lines 12 and 13)	15,011.37

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number <b>259-51-7291</b>	Year/Period Ended <b>2012 2015</b>	

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,842.00	\$6,383.00	(\$4,541.00)
2015	\$1,490.00	\$7,506.00	(\$6,016.00)

Your self-employment tax for the 2012 tax year has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted based on the recomputed amount of tax as follows: If the recomputed self-employment tax is \$14,643.30 or less, the deduction is 57.51% of the recomputed self-employment tax. If the recomputed self-employment tax is more than \$14,643.30, the deduction is 50% of the recomputed self-employment tax plus \$1,100.00.

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,203.00	\$11,099.00	\$7,896.00
2015	\$2,980.00	\$15,011.00	\$12,031.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

**Statutory-Earned Income Credit**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$3,125.00	\$0.00	(\$3,125.00)

Because we changed your adjusted gross income and/or your earnings and those changes affected your modified adjusted gross income or earned income, we have also adjusted your earned income credit.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Interest Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	.00	11.00	11.00	507-2
201412	.00	12.00	12.00	507-3
201512	.00	12.00	12.00	507-4
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amounts not previously on the tax returns.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received interest income and did not include the amounts on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: 61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary.K  
**Date:** 6/22/17

<b>Business Use of Home</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	620.00	.00	620.00	See below
201412	1,032.00	.00	1,032.00	See below
201512	750.00	.00	750.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow Business Use of the Home.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
To qualify for deductions, the area in the home used for business must be used regularly and exclusively as the principal place of business. Any personal use of the space, no matter how small, means the exclusive use test is failed. No tour of business was completed to observe the business use area. Additionally, depreciation is only allowed for home owners. Taxpayer did not own the business address listed on the tax return of 848 Grove Circle Avenue, Cleveland, TN.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: §162, 212 & 167				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/27

<b>Amortization Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	1,667.00	.00	1,667.00	See below
201412	1,666.00	.00	1,666.00	See below
201512	1,667.00	.00	1,667.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i> Issue is adjusted to disallow the Amortization Expense.				
<b>Facts:</b> <i>(Document the relevant facts.)</i> Taxpayer did not provide any substantiation or records to support the amortization expense claimed on the return. The item is disallowed as an ordinary and necessary business expense.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i> IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i> Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Advertising Expense Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	19,099.00	5,320.00	13,779.00	501-2
201412	34,775.00	.00	34,775.00	See below
201512	58,351.00	.00	58,351.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Issue is adjusted to the substantiated amounts.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. Advertising expenses must bear a reasonable relationship to the business activity. Business records should show gross income, deductions, and credit. Records should also be supported with contracts sales slips, invoices, receipts, canceled checks, etc.

Taxpayer did not provide complete substantiation for the advertising deduction.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*

IRC Section: § 162, 212

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

## 2012 Sch C - Advertising

**Taxpayer:** TANKERSLEY,  
 BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/2017

**For S/D (Source Document) column, utilize the following abbreviations:**

cc - canceled check   st - statement   ot - oral testimony   r - receipt

Paid To	cc	Per Return	Per Exam	Adjustment	Comments
Per Return		19,099.00			
AT&T	r		316.14		6/11/12
AT&T	r		206.70		6/25/12
AT&T	r		1,500.00		10/19/12
AT&T	r		2,085.15		11/6/12
AT&T	r		1,212.00		11/28/12
<b>Total</b>		19,099.00	5,320.00	13,779.00	

**Comments:**

Payments made for advertising must bear a reasonable relationship to the business activity. Business records should show gross income, deductions, and credits. Records should also be supported with contracts, sales slips, invoices, receipts, canceled checks, etc.  
 Taxpayer did not provide complete substantiation for the advertising deduction.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Other Expense - Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	45,416.00	267.00	45,149.00	405-2
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Other Expense – Labor is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Taxpayer did not provide substantiation to completely support the other expense – labor, in the amount of \$45,416. If \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. The Form 1099 will be used by the recipient to complete their tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



## 2012 Sch C - Other Expenses, Outside Labor

**Taxpayer:** TANKERSLEY,  
BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/2017

**For S/D (Source Document) column, utilize the following abbreviations:**

cc - canceled check   st - statement   ot - oral testimony   r - receipt

Paid To	cc	Per Return	Per Exam.	Adjustment	Comments
Per Return		45,416.00			
Velocity Moving & Storage			267.00		11/5/12
<b>Total</b>		45,416.00	267.00	45,149.00	

**Comments:**

Payments made for outside services are ordinary and necessary business expenses. Any individual paid more than \$600 should receive a Form 1099 for the total amount of services provided during the year. This form is used to report the income on their return. Individuals receiving more than \$400 in income are required to complete and attach the Self Employment Tax form to their return.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Utilities Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	3,070.00	.00	3,070.00	See below
201412	2,736.00	.00	2,736.00	See below
201512	.00	.00	.00	
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Utilities are disallowed as a business expense.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. He provided copies of utility bills for electricity and water for 2012 for the address 318 Farmway Dr., Cleveland, TN. However, the tax return has a different address where the taxpayer claimed Business Use of the Home. Taxpayer did not provide an explanation for electricity and water at the Farmway Dr address as an ordinary and necessary business expense for his moving company.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Royalty Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201512	.00	8.00	8.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amount not previously on the return.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received royalty income and did not include the amount on the tax return.				
<b>Law:</b> <i>(Tax law, regulations, court cases, and other authorities. If unagreed, include argument.)</i>				
IRC §61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Schedule C - Insurance Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201512	17,496.00	.00	17,496.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
<p>Taxpayer operates a moving company in Cleveland, TN. Insurance is an ordinary and necessary business expense. However, business records should show gross income, deductions, and credit. Records should also be supported with an insurance policy and billing invoices showing the type of insurance and amounts paid. Example include, Fire, Theft, Flood, Credit Insurance for losses from bad debts, Liability, Malpractice, Worker's Compensation, Overhead, Car &amp; Other Vehicles, etc.) Standard mileage rates include all vehicle operating and ownership costs, therefore if the standard mileage rate is used, no deduction for insurance for the vehicles is allowed.</p> <p>Taxpayer did not provide substantiation for the insurance deduction.</p>				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Contract Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	8,929.00	428.68	8,500.32	See below
201512	6,890.00	.00	6,890.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i> Issue is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i> Taxpayer operates a moving company in Cleveland, TN. Contract labor is an ordinary and necessary business expense. However, if \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. Taxpayer provided limited substantiation to support the Contract Labor deduction in 2014 and no substantiation was provided for 2015.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i> IRC Section: § 162 & 212 Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i> Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Self Employment Health Insurance Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	16,655.00	.00	16,655.00	See below
201512	8,334.00	.00	8,334.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i> Issue is adjusted to the substantiated amounts.				
<b>Facts:</b> <i>(Document the relevant facts.)</i> Taxpayer operates a moving company in Cleveland, TN. Health insurance premiums paid on behalf of the sole proprietor are deducted as an adjustment to income. The insurance can cover the proprietor, and his dependents. The deduction is limited to the net profit from Schedule C minus the deductions for self-employment tax and for contributions for the sole proprietor's benefit to a retirement plan. Taxpayer did not provide any substantiation to support the health insurance deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i> IRC Section: §162(l)				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i> Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary  
**Date:** 6/22/17

**FTHBC Recapture Lead Sheet**

Tax Period	Per Return	Per Exam	Adjustment	Reference
201512	500.00	5,000.00	4,500.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

First Time Home Buyer's Credit is recaptured.

**Facts:** *(Document the relevant facts.)*

(b)(3):26  
U.S.C. §  
6103

	Received	Paid Back	Remaining
2010		(\$500)	\$7,000
2011		(\$500)	\$6,500
2012		(\$500)	\$6,000
2013		(\$500)	\$5,500
2014		(\$500)	\$5,000
2015		(\$500)	\$4,500
<b>Total</b>	<b>\$7,500</b>	<b>\$3,000</b>	<b>\$4,500</b>

(b)(3):26  
U.S.C. §  
6103

Taxpayer sold the home in 2015 for which the First Time Homebuyer's Credit was received.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §36

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Sch C1 - Gross Receipts or Sales Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	176,695.00	176,695.00	.00	See below
201412	185,803.00	185,803.00	.00	See below
201512	208,031.00	208,031.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Gross Receipts are accepted as filed.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. He operates the business using the cash method of accounting. For 2012, bank deposits were used to determine income. Additionally, taxpayer provided copies of some merchant statements for 2012.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §61

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Car &amp; Truck Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	24,401.00	24,401.00	.00	See below
201412	42,794.00	42,794.00	.00	See below
201512	51,324.00	51,324.00	.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i> Car and Truck expenses are accepted as filed.				
<b>Facts:</b> <i>(Document the relevant facts.)</i> Taxpayer operates a moving company in Cleveland, TN. Taxpayer provided copies of receipts for fuel purchases.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i> IRC Section: §162 Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i> Unknown.				

Form **870**  
(Rev. March 1992)

Department of the Treasury—Internal Revenue Service

**Waiver of Restrictions on Assessment and Collection of  
Deficiency in Tax and Acceptance of Overassessment**

Date received by  
Internal Revenue Service

Names and address of taxpayers (*Number, street, city or town, State, ZIP code*)

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Social security or employer  
identification number

259-51-7291

**Increase (Decrease) in Tax and Penalties**

Tax year ended	Tax	Penalties		
		IRC 6662 20%	IRC 6651(a)(1)	IRC 6651(a)(2)
12/31/2012	19,857.00	3,971.40	4,467.83	4,979.58
12/31/2015	35,360.00	7,072.00		

(For instructions, see back of form)

**Consent to Assessment and Collection**

I consent to the immediate assessment and collection of any deficiencies (*increase in tax and penalties*) and accept any overassessment (*decrease in tax and penalties*) shown above, plus any interest provided by law. I understand that by signing this waiver, I will not be able to contest these years in the United States Tax Court, unless additional deficiencies are determined for these years.

YOUR SIGNATURE HERE →		Date
SPOUSE'S SIGNATURE →		Date
TAXPAYER'S REPRESENTATIVE HERE →		Date
CORPORATE NAME →		
CORPORATE OFFICER(S) →	Title	Date
SIGN HERE →	Title	Date

Name of Taxpayer: BRANDON TANKERSLEY

06/22/2017

Identification Number: 259-51-7291

18.20.00

Form 870 page 2

## Instructions

### General Information

If you consent to the assessment of the deficiencies shown in this waiver, please sign and return the form in order to limit any interest charge and expedite the adjustment to your account. Your consent will not prevent you from filing a claim for refund (*after you have paid the tax*) if you later believe you are so entitled. It will not prevent us from later determining, if necessary, that you owe additional tax; nor extend the time provided by law for either action.

We have agreements with State tax agencies under which information about Federal tax, including increases or decreases, is exchanged with the States. If this change affects the amount of your State income tax, you should file the required State form.

If you later file a claim and the Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

We will consider this waiver a valid claim for refund or credit of any overpayment due you resulting from any decrease in tax and penalties shown above, provided you sign and file it within the period established by law for making such a claim.

### Who Must Sign

If you filed jointly, both you and your spouse must sign. If this waiver is for a corporation, it should be signed with the corporation name, followed by the signatures and titles of the corporate officers authorized to sign. An attorney or agent may sign this waiver provided such action is specifically authorized by a power of attorney which, if not previously filed, must accompany this form.

If this waiver is signed by a person acting in a fiduciary capacity (*for example, an executor, administrator, or a trustee*) Form 56, Notice Concerning Fiduciary Relationship, should, unless previously filed, accompany this form.

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Penalty for Failure to File - IRC 6651(a)(1)

Since you did not file your return within the time prescribed by law, and you did not show that the failure to file timely was due to reasonable cause, a penalty is added to the tax. For each month or part of a month that your failure to file continued, the penalty is 5% of the total tax determined to be due that was not paid when it was due; however, the penalty will not exceed 25% of the tax not paid on time, unless the minimum penalty applies.

When a return is not filed within 60 days from the due date, the minimum penalty is the lesser of \$135 (\$100 for returns due before 1/1/2009) or the total tax determined to be due that was not paid when it was due.

Interest is figured on this penalty from the due date of the return (including extensions). See IRC 6601(e)(2).

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Penalty for Failure to Pay - IRC 6651(a)(2) (Applies only to SFRs)

Since you did not pay your tax when it was due, a penalty is added to the tax. For each month or part of a month that the tax is unpaid, the penalty is  $\frac{1}{2}\%$  of the unpaid tax; however, the penalty will not exceed 25% in total.

The penalty for failure to pay shown in this notice is computed only through the date of this notice. It will continue to accrue until the tax is paid, or until it totals 25%.

The penalty begins to accrue at 1% per month if we give notice and demand for immediate payment, or if the tax is not paid within 10 days after we give notice of intent to levy certain assets.

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).



Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Date: 6-23-17

Taxpayer ID number (last 4 digits):  
7291

Form:  
1040

Tax periods ended:  
December 31, 2012  
December 31, 2015

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

## FILE COPY

Person to contact:  
Mary K Huddleston  
Contact telephone number:  
423-855-6008  
Contact fax number:  
423-855-6039  
Employee ID number:  
1000848025  
Response due date:

7-24-17

Dear: BRANDON TANKERSLEY:

I am enclosing two copies of an examination report showing proposed changes to your tax for the periods listed above. Review the report, and tell us whether you agree or disagree with the changes **by the response due date listed above**. If you have an interest in any partnerships, S corporations, trusts, etc., this report may not reflect examinations of those entities. Changes to those accounts could also affect your tax.

### If you agree with the proposed changes in the report

1. Sign and date one copy of the examination report (or agreement form if enclosed). If you filed a joint return, both spouses must sign.
2. Include payment for the full amount you owe (if the report shows you owe additional tax) to limit penalty and interest charges to your account. Make payment payable to the United States Treasury.
3. Return the signed and dated examination report or agreement form with your payment **by the response due date** in the enclosed envelope.

### If you agree, but can't pay the full amount you owe

Sign, date, and return one copy of the examination report or agreement form, as explained above, and pay as much as you can. You can call the person listed above to discuss payment. We explain payment options in the enclosed Publication 3498, *The Examination Process*. You can also visit [www.irs.gov](http://www.irs.gov) and search "tax payment options" for more information about:

- Installment agreements
- Automatic payment deductions
- Payroll deductions
- Credit card payments

If you don't enclose full payment for the additional tax, interest, and penalties, we'll bill you for the unpaid amounts. If you are a C Corporation, the law requires us to charge an interest rate 2% higher than the standard rate on deficiencies of \$100,000 or more (Section 6621(c) of the Internal Revenue Code).

**If you don't agree with the proposed changes in the report**

You can contact the person listed above to request a meeting or telephone conference with me. If you still don't agree after the meeting or telephone conference and want to request a conference with the Office of Appeals, you must take one of the following actions **by the response due date**:

- If the total proposed change to your tax and penalties is **\$25,000 or less** for each referenced tax period, you can request an Appeals conference by sending us either:
  - A completed Form 12203, *Request for Appeals Review* (enclosed). A fillable version of this form is available at [www.irs.gov/formspubs](http://www.irs.gov/formspubs).
  - A letter that requests an Appeals conference, and explains the changes you don't agree with and the reasons why you don't agree.
- If the total proposed change to your tax and penalties is **more than \$25,000** for any referenced tax period, you must follow the instructions in the enclosed Publication 3498 to submit a formal protest.

For Appeals to have enough time to consider your case, the statute of limitations generally must have at least 365 days remaining when Appeals receives it. If additional time is needed, we will request your consent to extend the period the law provides to assess additional tax. If you don't consent to extend the statute, we'll close your case based on the proposed changes and send you a notice of deficiency (explained below). For estate tax cases only, there must be at least 270 days remaining on the non-extendable statute of limitations when Appeals receives the case.

**If you request an Appeals conference**

An Appeals officer will contact you. Appeals conferences are informal and can be by correspondence, telephone, or in person. Appeals is an independent office and resolves most disputes informally and promptly. A conference with our Appeals office may:

- Help you avoid court costs, such as Tax Court filing fees
- Resolve the matter sooner
- Limit or prevent interest and penalties from increasing on your account

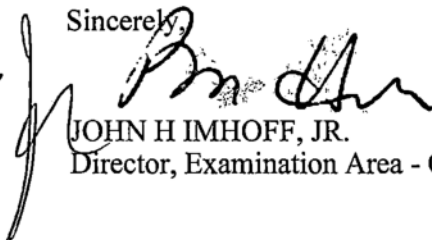
**If you don't reply by the response due date**

We'll process your case based on the proposed changes and send you a notice of deficiency. The notice normally gives you 90 days to either agree to the deficiency or file a petition with the United States Tax Court. If you petition the Tax Court, you'll generally have the opportunity for a pretrial settlement. If you can't reach a settlement agreement, your case will be heard in court. If you don't file a petition during the 90-day period after you receive the notice of deficiency, we'll assess the amount on the notice of deficiency, and you'll have to pay the full amount you owe or make payment arrangements.

If you have questions, you can contact the person listed at the top of this letter.

**FILE COPY**

Sincerely,



JOHN H IMHOFF, JR.  
Director, Examination Area - Central

Enclosures:  
Examination Report (2)

~~Form 12203~~  
Publication 3498  
Envelope



**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

**FILE COPY**

---

**Department of the Treasury  
Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**FILE COPY**

---



Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed

5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

Date:

6-23-11

Taxpayer ID number (last 4 digits):  
7291

Taxpayer name:  
BRANDON TANKERSLEY

Form number:  
1040

Years:  
December 31, 2012  
December 31, 2015

Person to contact / ID number:  
Mary K Huddleston 1000848025

Contact telephone number:  
423-855-6008

Contact fax number:  
423-855-6039

## FILE COPY

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

JOHN H IMHOFF, JR.

Director, Examination Area - Central

Enclosures:

- Letters
- Reports
- Copy of Determination Letter
- Other

Version: 18.20.00  
 Taxpayer Name: TANKERSLEY, BRANDON  
 TIN: 259-51-7291  
 Examiner: Huddleston, Mary K

COMPLIANCE EVALUATION WORKPAPERS

Tax Period	Issue Name/ Categorization	Adjustment/ PBA-NAICS Ret/PBA-NAICS Exam		IMF Issue Code/ Form/Sch	Causal Cd/ Line No.
201512	Sch C1 - Gross Receipts or Sales Schedule C income-primary	484110	0.00 484110	4C101 SCH C1	53 1
201512	Sch C1 - Car and Truck Expenses Schedule C expenses-primary	484110	0.00 484110	5C110 SCH C1	53 9
201512	FTHBC Recapture Repayment from F5405 (FTHCR)		4,500.00	61066a 1040	02 60b
201512	Sch C1 - Advertising Schedule C expenses-primary	484110	58,351.00 484110	5C108 SCH C1	03 8
201512	Sch C1 - Oth Expenses - Amortizatio Schedule C expenses-primary	484110	1,667.00 484110	5C127 SCH C1	02 27a
201512	Self-Employed Health Insurance Self-employed health ins-primary		8,334.00	51028 1040	02 29
201512	Sch C1 - Contract labor Schedule C expenses-primary	484110	6,890.00 484110	5C160 SCH C1	03 11
201512	Sch C1 - Expenses for Business Use Schedule C expenses-primary	484110	750.00 484110	5C130 SCH C1	02 30
201512	Sch C1 - Insurance (Other Than Hea Schedule C expenses-primary	484110	17,496.00 484110	5C115 SCH C1	03 15
201512	Taxable Interest Other income		12.00	41008 1040	03 8a
201512	Sch E1 - Royalties Received Royalty income		8.00	4E104 SCH E1	03 4
201512	Accuracy Related Penalty - 6662 De minimis-income or taxes		7,072.00	62401 x	52 99

Version: 18.20.00  
 Taxpayer Name: TANKERSLEY, BRANDON  
 TIN: 259-51-7291  
 Examiner: Huddleston, Mary K

COMPLIANCE EVALUATION WORKPAPERS

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TIN	MFT	TAXPD	DATE	DLN
259-51-7291	30	201412	08-26-2023	49-247-753-30145-7

NAME AND NAME CONTROL:  
BRANDON TANKERSLEY & CRYSTAL NAUMAN  
TANK

REMARKS:  
SPECIAL EXTRACT - OPEN BALANCE DUE (CSED) - SAVE DLN 2017

OPR NO 4999999999

TIN 259-51-7291 TSC I DLN 49 2 47 753 - 301 45 - 7  
MFT 30 PERIOD 201412 PLAN 000 INPUT 12-15-2017 EMPL NO 0376426832  
NAME CONTROL IU CYC DELAY CD 0 TRI SEQUENCE NO 0002  
INT DT 00-00-0000 PRI CD HOLD CD APPL CD DISP CD 10 EXAM RECM

TRANSACTION CODES AND AMOUNTS

300 25,406.00 .00 .00  
.00 .00 .00

REF NUMBERS AND AMOUNTS/NO CHANGE ISSUE CODES

786 5,281.20 336 1,000.00- 878 48,861.00  
895 48,861.00 889 7,476.00 888 85,813.00  
886 85,813.32 .00

SETTLEMENT AMT AIMS RESULT AMT 26,406.00

AGREEMENT DT - - CLAIM REJECTION DT - - ASED - -

INT TO DT - - 2% INT DT - - 30/90 DT - -

30/90 AMT

DMF AGENCY CD 00 MATH ERROR CD

TXPR CORRESPONDENCE DT - - CREDIT INT DT - -

302

A-  CC TSCLS  
P1-6 CC AMCLS E

E = Long closure  
F = Partial closure  
I = IRA  
S = Separate Spousal Assessment  
U = Unpostable P49-50 E

### Examination Closing Record

References: IRM 4.4.12  
AIMS input: IRM 2.8

56 | E | 57- | Secondary SSN Name Control

P7-18 TIN		P21-22 MFT		P24-29 TAX PERIOD		C-Operator Employee No.		D-Reject		
259-51-7291		30		201412		Date				
P31-34 Name Control		B-Name								
TANK		BRANDON TANKERSLEY								
E-Document Locator Number		F-Cor.								
Appeals Office Code		16-		APPEALS SECTION						
Batch Position Indicator (NMF)		P36		Block Number		P38-40		Sequence Number		
				30X				P45-48		
								0002		
Secondary Spouse SSN		01-		0		AMCLSI ONLY				
& Penalty Reason Code		02-		Letter Date		03-				
Letter Amount		04-		+ <input checked="" type="checkbox"/> No CENTS						
2% Interest Date		05-								
& Debit Interest "To" Date		6A-								
& Credit Interest		6B-								
& Compute Interest Amount		6C-								
& Hold Code		07-		Remarks:						
Agreement Date		08-								
& Priority Code		09-								
& Interest Computation Date		11-								
# * Tax, Penalty and Interest Adjustments	12-		Trans. Code		300		25,406.00		+	
	12-									
	12-									
	12-									
	12-									
	12-									
	12-									
Manual Assessment Amount		35-		+ <input checked="" type="checkbox"/> No CENTS						
# * Hash Total		36-		30852934						
Include in hash total all items as follows: P24-29, 12, 15, 18, 21, 22, 23, 28, 34, 35, 44, 46, 402, 403, 404c, 404d, 404e, 414, 415 and 418. For items 12 and 15, include only the amounts to the right of the transaction code and ignore the decimal point.										
Delinquent Return		37-		T = Taxpayer R = Return						
Fraud		38-		C = Civil F = Criminal B = Both						
& Disclosure Code		39-								
IMF Issue Codes		41-								
MFT 30 Only- Required entry for no change or no change with adjustment cases. Can be input 5 times.		41-								
		41-								
		41-								
		41-								
# Disposal Code		13-		10						
Statute Extended to		14-								
& Credit and Tax Computation Adjustments	15-		Ref. No.		786		5,281.20		+	
	15-		336				(1,000.00)		-	
	15-		869				0		-	
	15-		878				48,861.00		+	
	15-		895				48,861.00		+	
	15-		889				7,476.00		+	
	15-		888				85,813.00		+	
15-		886				85,813.32		+		
& Posting Delay Code		43-		1-6 Valid						
I-Reviewer		Date		J-CATP Case <input type="checkbox"/>						
K-Tax Examiner		Date		DEC 14 2017						
Comments		<i>penultimate withdrawal</i>								



NOL CF Disallowed Amount	44-		No Cents +	Reason Code IMF Only	51-	
NOL Indicator	45-			Reason Code IMF Only	52-	
Credit CF Disallowed Amount	46-		No Cents +	Reason Code IMF Only	53-	
Credit Type (Only if disallowed)	47-			Tire Count	66-	9 0 0 / / +
Primary Business Code		Must use AMSOC DC 30		Tire Count	66-	9 0 1 / / +
Whipsaw Indicator	401-		K = Key R = Related	Tire Count	66-	9 0 2 / / +
International Examiner Time	402-		Percent of Total Time (Item 28) — enter 001-100 (Eff. 1/08)	Tire Count	66-	9 0 3 / / +
International Exam Results	403-		Percent of Total Audit Results — enter 000-100 (Eff. 1/08)	Tire Count	66-	9 0 4 / / +
			(Eff. 7/1/16)	Tire Count	66-	9 0 5 / / +
			(Eff. 7/1/16)	SHIP-LIVES	70-	9 0 6 / / +
				ASIHP-LIVES	70-	9 0 7 / / +
				SHIP-LIVES Oct	70-	9 0 8 / / +
				ASIHP-LIVES Oct	70-	9 0 9 / / +

Form 720	a. Abstract Code	b. Disposal Code	c. Abstract Time	d. Abstract Examination Results	e. Abstract Claim Time
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	

RELATED RETURN INFORMATION SECTION (Enter Data from Primary Return)

↓ Attach Audit Label Here If Available ↓

405- Primary Return TIN	406- Prim Ret. MFT	407- Prim Ret Tax Period
259-51-7291	30	201212

Check if continued on an attached page

Related Ret Alpha Code	408-	S	P = Primary Return (If Entered, Leave 405-407 Blank) S = Secondary (Related) Return
Aging Reason Code	410-		
Payment Code	411-	N	Check only one F = Full paid N = No payment P = Part paid O = Total offset
Installment Agreement Code	412-	N	Check only one I = Installment Agreement rec'd C = Coordinated with collection N = No installment agreement
Delinquent Return Amount	414-		No Cents
Amended Return Amount	415-		No Cents
Fax Agreement Indicator	416-		1 = Fax'd Agreement Received For EGC 5XXX Use Only
3121Q Amount	418-		No Cents + Only Valid for MFT 01, 11 or 14
Applicable Credit Adj Amount	422-		No Cents + Only Valid for MFT 51, 52, 53 and 54
DSUE Amount	425-		No Cents + Only Valid for MFT 51, 52, 53 and 54

07/20/2017

\* Required entries for partial assessments  
# Required entries for disposal code 34  
& Optional entries for disposal code 34

18.20.00

RGS Version 18.20.00

Name: TANKERSLEY, BRANDON

Year: 201412

TIN: 259-51-7291

Examiner: Huddleston, M

Examination Closing Input Document

AMCLSE259-51-7291 30 201412 IU 30X [?]  
12-300/2540600,  
13-10,  
15-786/528120,  
15-336/100000-  
15-869/0,  
15-878/4886100,  
15-895/4886100,  
15-889/747600,  
15-888/8581300,  
15-886/8581332,  
28-370,  
30-3,  
31-12,  
32-221R,  
33-Huddleston M,  
36-30852934,  
405-259-51-7291 ,  
406-30,  
407-201212,  
408-S,  
411-N,  
412-N,

Form **1040** Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return** | **2014** | OMB No. 1545-0074 | IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2014, or other tax year beginning \_\_\_\_\_, 2014, ending \_\_\_\_\_, 20 **See separate instructions.**

Your first name and initial <b>Brandon</b>	Last name <b>Tankersley</b>	Your social security number <b>259-51-7291</b>
If a joint return, spouse's first name and initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.  
**848 Grove Circle Avenue**

Apt. no. ▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).  
**Cleveland TN 37311**

Foreign country name Foreign province/state/county Foreign postal code

Presidential Election Campaign  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  
 You  Spouse

**Filing Status**

1  Single

2  Married filing jointly (even if only one had income)

3  Married filing separately. Enter spouse's SSN above and full name here. ▶

4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5  Qualifying widow(er) with dependent child

Check only one box.

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a

b  Spouse

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qual. for child tax credit (see instr.)
<b>Jaxon</b>	<b>Tankersley</b>	<b>759-12-0297</b>	<b>Son</b>	<input checked="" type="checkbox"/>

If more than four dependents, see instructions and check here ▶

Boxes checked on 6a and 6b **1**

No. of children on 6c who:  
• lived with you **1**  
• did not live with you due to divorce or separation (see instructions) \_\_\_\_\_

Dependents on 6c not entered above \_\_\_\_\_

Add numbers on lines above ▶ **2**

d Total number of exemptions claimed **2**

**Income**

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends

10 Taxable refunds, credits, or offsets of state and local income taxes

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ **55,991**

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶

14 Other gains or (losses). Attach Form 4797

15a IRA distributions

16a Pensions and annuities

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits

21 Other income. List type and amount **Prior Year NOL**

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶ **38,067**

**Adjusted Gross Income**

23 Educator expenses

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ

25 Health savings account deduction. Attach Form 8889

26 Moving expenses. Attach Form 3903

27 Deductible part of self-employment tax. Attach Schedule SE **3,956**

28 Self-employed SEP, SIMPLE, and qualified plans

29 Self-employed health insurance deduction **16,655**

30 Penalty on early withdrawal of savings

31a Alimony paid b Recipient's SSN ▶

32 IRA deduction

33 Student loan interest deduction

34 Tuition and fees. Attach Form 8917

35 Domestic production activities deduction. Attach Form 8903

36 Add lines 23 through 35 **20,611**

37 Subtract line 36 from line 22. This is your adjusted gross income ▶ **17,456**

Form **2848**  
(Rev. Dec. 2015)  
Department of the Treasury  
Internal Revenue Service

### Power of Attorney and Declaration of Representative

OMB No. 1545-0160

For IRS Use Only

Received by:

Name Mary Huddleston

Telephone 423-855-6008

Function SB/SE

Date 5/3/17

Information about Form 2848 and its instructions is at [www.irs.gov/form2848](http://www.irs.gov/form2848).

#### Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

**1 Taxpayer Information.** Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address  
**Brandon Tankersley**  
2435 Valley Hill Drive  
Cleveland, TN 37311

Taxpayer identification number(s)  
**259-51-7291**

Daytime telephone number \_\_\_\_\_ Plan number (if applicable) \_\_\_\_\_

hereby appoints the following representative(s) as attorney(s)-in-fact:

**2 Representative(s) must sign and date this form on page 2, Part II.**

Name and address  
**Joe P. Honey, CPA**  
4295 Cromwell Road, Suite 305  
Chattanooga, TN 37421

CAF No. 6505-21220R  
PTIN P00747663  
Telephone No. 423-553-7220  
Fax No. 423-553-7655

Check if to be sent copies of notices and communications

Check if new: Address  Telephone No.  Fax No.

Name and address

CAF No. \_\_\_\_\_  
PTIN \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

Check if to be sent copies of notices and communications

Check if new: Address  Telephone No.  Fax No.

Name and address

CAF No. \_\_\_\_\_  
PTIN \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

(Note: IRS sends notices and communications to only two representatives.)

Check if new: Address  Telephone No.  Fax No.

Name and address

CAF No. \_\_\_\_\_  
PTIN \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

(Note: IRS sends notices and communications to only two representatives.)

Check if new: Address  Telephone No.  Fax No.

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

**3 Acts authorized (you are required to complete this line 3).** With the exception of the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excess, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 5000A Shared Responsibility Payment, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Income	1040	2014, 2015, 2016

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific Use Not Recorded on CAF**

**5a Additional acts authorized.** In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information):

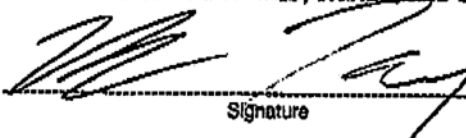
Authorize disclosure to third parties;  Substitute or add representative(s);  Sign a return; \_\_\_\_\_

Other acts authorized: \_\_\_\_\_

**b Specific acts not authorized.** My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.  
 List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b):

**6 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here   
**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**7 Signature of taxpayer.** If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the legal authority to execute this form on behalf of the taxpayer.  
**▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.**

 5/2/17  
 Signature Date Title (if applicable)

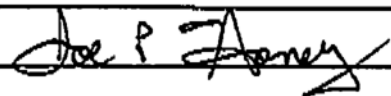
Brandon Tankersley  
 Print Name Print name of taxpayer from line 1 if other than individual

**Part II Declaration of Representative**

- Under penalties of perjury, by my signature below I declare that:
- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
  - I am subject to regulations contained in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
  - I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
  - I am one of the following:
    - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
    - b Certified Public Accountant—licensed to practice as a certified public accountant is active in the jurisdiction shown below.
    - c Enrolled Agent—enrolled as an agent by the Internal Revenue Service per the requirements of Circular 230.
    - d Officer—a bona fide officer of the taxpayer organization.
    - e Full-Time Employee—a full-time employee of the taxpayer.
    - f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
    - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
    - h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). See *Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.*
    - k Student Attorney or CPA—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student working in an LITC or STCP. See instructions for Part II for additional information and requirements.
    - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

**▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.**

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Designation—insert above letter (a-r).	Licensing jurisdiction (State) or other licensing authority (if applicable).	Bar, license, certification, registration, or enrollment number (if applicable).	Signature	Date
b	TN	6623		5/1/17

Form 1040 (2014)

Brandon Tankersley

Tax and Credits

38 Amount from line 37 (adjusted gross income)
39a Check if: You were born before January 2, 1950, Blind. Total boxes checked 39a
Spouse was born before January 2, 1950, Blind. 39b

Table with 2 columns: Line number and Amount. Rows include 38 (17,456), 40 (6,200), 41 (11,256), 42 (7,900), 43 (3,356), 44 (338), 47 (338).

Standard Deduction for—

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others: Single or Married filing separately, \$6,200 Married filing jointly or Qualifying widow(er), \$12,400 Head of household, \$9,100

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)
41 Subtract line 40 from line 38
42 Exemptions. If line 38 is \$152,525 or less, multiply \$3,950 by the number on line 6d. Otherwise, see instructions
43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-
44 Tax (see instr.). Check if any from: a Form(s) 8814 b Form 4972 c
45 Alternative minimum tax (see instructions). Attach Form 6251
46 Excess advance premium tax credit repayment. Attach Form 8962
47 Add lines 44, 45, and 46

Table with 2 columns: Line number and Amount. Rows include 48, 49 (338), 50, 51, 52, 53, 54.

48 Foreign tax credit. Attach Form 1116 if required
49 Credit for child and dependent care expenses. Attach Form 2441
50 Education credits from Form 8863, line 19
51 Retirement savings contributions credit. Attach Form 8880
52 Child tax credit. Attach Schedule 8812, if required
53 Residential energy credits. Attach Form 5695
54 Other credits from Form: a 3800 b 8801 c
55 Add lines 48 through 54. These are your total credits
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-

Table with 2 columns: Line number and Amount. Rows include 48, 49 (338), 50, 51, 52, 53, 54, 55 (338), 56 (0), 57 (7,911).

Other Taxes

57 Self-employment tax. Attach Schedule SE
58 Unreported social security and Medicare tax from Form: a 4137 b 8919
59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required
60a Household employment taxes from Schedule H
b First-time homebuyer credit repayment. Attach Form 5405 if required
61 Health care: individual responsibility (see instructions) Full-year coverage
62 Taxes from: a Form 8959 b Form 8960 c Instructions; enter code(s)
63 Add lines 56 through 62. This is your total tax

Table with 2 columns: Line number and Amount. Rows include 57, 58, 59, 60a, 60b (500), 61 (143), 62, 63 (8,554).

Payments

If you have a qualifying child, attach Schedule EIC.

64 Federal income tax withheld from Forms W-2 and 1099
65 2014 estimated tax payments and amount applied from 2013 return
66a Earned income credit (EIC) NO
b Nontaxable combat pay election 66b
67 Additional child tax credit. Attach Schedule 8812
68 American opportunity credit from Form 8863, line 8
69 Net premium tax credit. Attach Form 8962
70 Amount paid with request for extension to file
71 Excess social security and tier 1 RRTA tax withheld
72 Credit for federal tax on fuels. Attach Form 4136
73 Credits from Form: a 2439 b Reserved c Reserved d
74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments

Table with 2 columns: Line number and Amount. Rows include 64, 65, 66a, 67 (1,000), 68, 69, 70, 71, 72, 73, 74 (1,000).

Handwritten calculation: 8554 - 1437 = 8117

Refund

75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid
76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here
b Routing number
c Type: Checking Savings
d Account number
77 Amount of line 75 you want applied to your 2015 estimated tax

Table with 2 columns: Line number and Amount. Rows include 75, 76a, 77, 78 (7,564).

Amount You Owe

78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions
79 Estimated tax penalty (see instructions)

Table with 2 columns: Line number and Amount. Rows include 78 (7,564), 79 (10).

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete below. [ ] No
Designee's name: Joe P. Honey
Personal identification number (PIN): 11291
Phone no.: 423-553-7220

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Your signature: [Signature] Date: [Date] Your occupation: Business Owner
Spouse's signature: [Signature] Date: [Date] Spouse's occupation: [Occupation]

Print/Type preparer's name: Joe P. Honey; Preparer's signature: Joe P. Honey; Date: 04/14/15; Check self-employed [X]; PTIN: P00747663; Firm's name: Joe P. Honey, CPA; Firm's address: 419 North Market St Ste 200 Chattanooga TN 37405-3974; Firm's EIN: 26-0722835; Phone no.: 423-553-7220

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**  
(Sole Proprietorship)

**2014**

Attachment Sequence No. **09**

▶ Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Department of the Treasury  
Internal Revenue Service (99)

Name of proprietor  
**Brandon Tankersley**

Social security number (SSN)  
**259-51-7291**

**A** Principal business or profession, including product or service (see instructions)  
**Moving Service**

**B** Enter code from instructions  
▶ **484110**

**C** Business name. If no separate business name, leave blank.  
**Cleveland Moving dba Southeast Movi**

**D** Employer ID number (EIN), (see instr.)

**E** Business address (including suite or room no.) ▶ **848 Grove Circle Avenue**  
City, town or post office, state, and ZIP code **Cleveland TN 37311**

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶

**G** Did you "materially participate" in the operation of this business during 2014? If "No," see instructions for limit on losses  Yes  No

**H** If you started or acquired this business during 2014, check here  Yes  No

**I** Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions)  Yes  No

**J** If "Yes," did you or will you file required Forms 1099?  Yes  No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	1	185,803
2	Returns and allowances		2	
3	Subtract line 2 from line 1		3	185,803
4	Cost of goods sold (from line 42)		4	4,363
5	Gross profit. Subtract line 4 from line 3		5	181,440
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7	Gross income. Add lines 5 and 6		7	181,440

**Part II Expenses. Enter expenses for business use of your home only on line 30.**

8	Advertising	8	34,775	18	Office expense (see instructions)	18	2,764
9	Car and truck expenses (see instructions)	9	42,794	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):	20	
11	Contract labor (see instructions)	11	8,929	20a	a Vehicles, machinery, and equipment	20a	1,291
12	Depletion	12		20b	b Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	6,707	21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
16a	a Mortgage (paid to banks, etc.)	16a		24a	a Travel	24a	3,042
16b	b Other	16b		24b	b Deductible meals and entertainment (see instructions)	24b	5,607
17	Legal and professional services	17		25	Utilities	25	2,736
18				26	Wages (less employment credits)	26	
19				27a	Other expenses (from line 48)	27a	15,772
20				27b	b Reserved for future use	27b	
21				28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	124,417
22				29	Tentative profit or (loss). Subtract line 28 from line 7	29	57,023
23				30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	1,032
24				31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	55,991
25				32a	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk. <input type="checkbox"/> Some investment is not at risk.
26			32b	32b			

Brandon Tankersley

Schedule C (Form 1040) 2014 Moving Service

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a  Cost b  Lower of cost or market c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation  Yes  No

Table with 2 columns: Description and Amount. Rows include: 35 Inventory at beginning of year (0), 36 Purchases less cost of items withdrawn for personal use, 37 Cost of labor, 38 Materials and supplies, 39 Other costs (See Statement 1, 4,363), 40 Add lines 35 through 39 (4,363), 41 Inventory at end of year (0), 42 Cost of goods sold (4,363).

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year)

44 Of the total number of miles you drove your vehicle during 2014, enter the number of miles you used your vehicle for:

a Business b Commuting (see instructions) c Other

45 Was your vehicle available for personal use during off-duty hours? 46 Do you (or your spouse) have another vehicle available for personal use? 47a Do you have evidence to support your deduction? 47b If "Yes," is the evidence written?

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Table with 2 columns: Expense Description and Amount. Rows include: Communication Exp. (8,167), Bad Check (450), Damages (636), Uniform (578), Towing Expense (75), Website Fees (4,200), Amortization (1,666).

48 Total other expenses. Enter here and on line 27a 15,772



**SCHEDULE SE  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

▶ Information about Schedule SE and its separate instructions is at [www.irs.gov/schedulese](http://www.irs.gov/schedulese).

▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)  
**Brandon Tankersley**

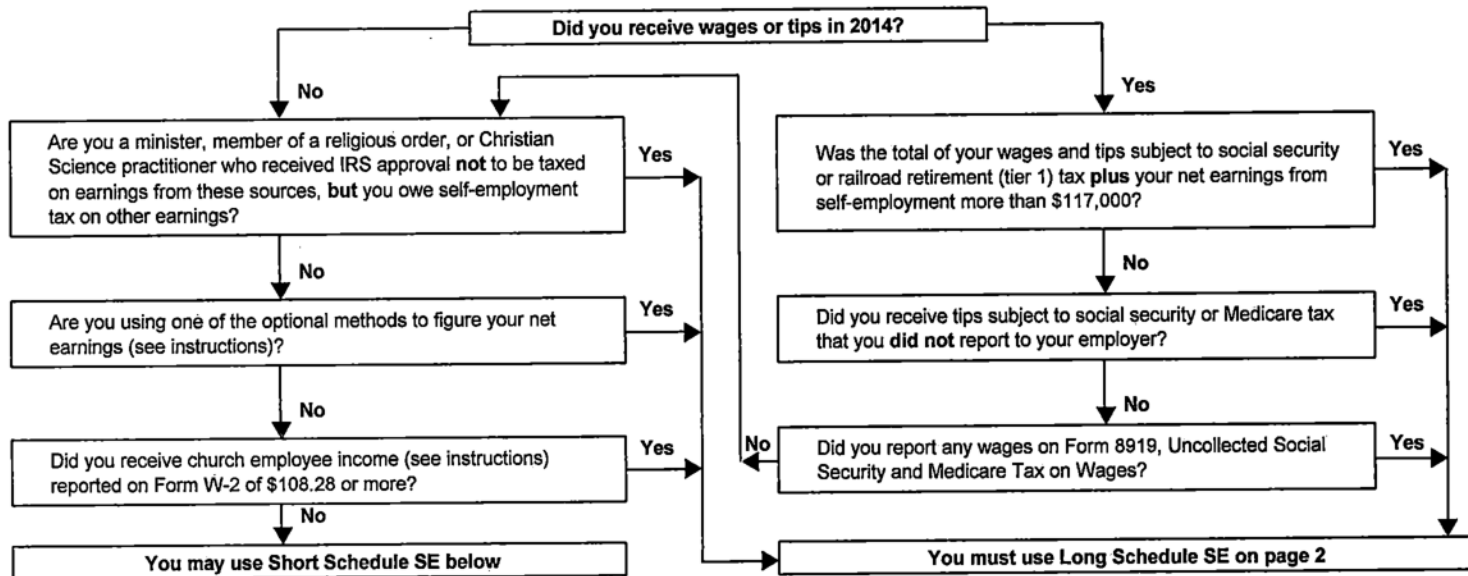
Social security number of person with self-employment income ▶

**259-51-7291**

**Before you begin:** To determine if you must file Schedule SE, see the instructions.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart only if you must file Schedule SE. If unsure, see Who Must File Schedule SE in the instructions.



**Section A — Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

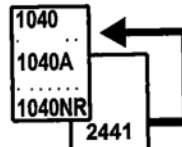
<b>1a</b> Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A .....	<b>1a</b>	
<b>b</b> If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z .....	<b>1b</b>	( )
<b>2</b> Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report .....	<b>2</b>	<b>55,991</b>
<b>3</b> Combine lines 1a, 1b, and 2 .....	<b>3</b>	<b>55,991</b>
<b>4</b> Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b .....	<b>4</b>	<b>51,708</b>
<b>Note.</b> If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.		
<b>5 Self-employment tax.</b> If the amount on line 4 is: • \$117,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 57, or Form 1040NR, line 55 • More than \$117,000, multiply line 4 by 2.9% (.029). Then, add \$14,508 to the result. Enter the total here and on Form 1040, line 57, or Form 1040NR, line 55 .....	<b>5</b>	<b>7,911</b>
<b>6 Deduction for one-half of self-employment tax.</b> Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27 .....	<b>6</b>	<b>3,956</b>

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule SE (Form 1040) 2014

Form **2441**

**Child and Dependent Care Expenses**



OMB No. 1545-0074

**2014**

Attachment Sequence No. **21**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.  
▶ Information about Form 2441 and its separate instructions is at [www.irs.gov/form2441](http://www.irs.gov/form2441).

Name(s) shown on return

Your social security number

**Brandon Tankersley**

**259-51-7291**

**Part I Persons or Organizations Who Provided the Care**—You must complete this part.  
(If you have more than two care providers, see the instructions.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)
	<b>Waterville Baptist Church</b>	<b>3722 Dayton Pike SE Cleveland, TN 37323</b>	<b>62-0874828</b>	<b>1,100</b>

Did you receive dependent care benefits?  No  Yes

Complete only Part II below.  
Complete Part III on the back next.

**Caution.** If the care was provided in your home, you may owe employment taxes. If you do, you cannot file Form 1040A. For details, see the instructions for Form 1040, line 60a, or Form 1040NR, line 59a.

**Part II Credit for Child and Dependent Care Expenses**

**2** Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2014 for the person listed in column (a)
First	Last		
<b>Jaxon</b>	<b>Tankersley</b>	<b>759-12-0297</b>	<b>1,100</b>

**3** Add the amounts in column (c) of line 2. Do not enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 31

**4** Enter your earned income. See instructions

**5** If married filing jointly, enter your spouse's earned income (if you or your spouse was a student or was disabled, see the instructions); all others, enter the amount from line 4

**6** Enter the smallest of line 3, 4, or 5

**7** Enter the amount from Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 37

**8** Enter on line 8 the decimal amount shown below that applies to the amount on line 7

If line 7 is:			If line 7 is:		
Over	But not over	Decimal amount is	Over	But not over	Decimal amount is
\$0 – 15,000		.35	\$29,000 – 31,000		.27
15,000 – 17,000		.34	31,000 – 33,000		.26
17,000 – 19,000		.33	33,000 – 35,000		.25
19,000 – 21,000		.32	35,000 – 37,000		.24
21,000 – 23,000		.31	37,000 – 39,000		.23
23,000 – 25,000		.30	39,000 – 41,000		.22
25,000 – 27,000		.29	41,000 – 43,000		.21
27,000 – 29,000		.28	43,000 – No limit		.20

**9** Multiply line 6 by the decimal amount on line 8. If you paid 2013 expenses in 2014, see the instructions

**10** Tax liability limit. Enter the amount from the Credit Limit Worksheet in the instructions

**11** Credit for child and dependent care expenses. Enter the smaller of line 9 or line 10 here and on Form 1040, line 49; Form 1040A, line 31; or Form 1040NR, line 47

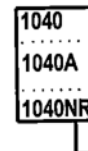
<b>3</b>	<b>1,100</b>
<b>4</b>	<b>52,035</b>
<b>5</b>	<b>52,035</b>
<b>6</b>	<b>1,100</b>
<b>7</b>	<b>17,456</b>
<b>8</b>	<b>X .33</b>
<b>9</b>	<b>363</b>
<b>10</b>	<b>338</b>
<b>11</b>	<b>338</b>

For Paperwork Reduction Act Notice, see your tax return instructions:

Form **2441** (2014)

**SCHEDULE 8812**  
**(Form 1040A or 1040)**

**Child Tax Credit**



OMB No. 1545-0074

**2014**

Attachment  
Sequence No. **47**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.  
▶ Information about Schedule 8812 and its separate instructions is at  
[www.irs.gov/schedule8812](http://www.irs.gov/schedule8812).

Name(s) shown on return

Your social security number

**Brandon Tankersley**

**259-51-7291**

**Part I Filers Who Have Certain Child Dependent(s) with an ITIN (Individual Taxpayer Identification Number)**

**CAUTION** Complete this part only for each dependent who has an ITIN and for whom you are claiming the child tax credit. If your dependent is not a qualifying child for the credit, you cannot include that dependent in the calculation of this credit.

Answer the following questions for each dependent listed on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c, who has an ITIN (Individual Taxpayer Identification Number) and that you indicated is a qualifying child for the child tax credit by checking column (4) for that dependent.

**A** For the first dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**B** For the second dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**C** For the third dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**D** For the fourth dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**Note.** If you have more than four dependents identified with an ITIN and listed as a qualifying child for the child tax credit, see the instructions and check here

**Part II Additional Child Tax Credit Filers**

<b>1</b>	<b>1040 filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040, line 52).			
	<b>1040A filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040A, line 35).			
	<b>1040NR filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040NR, line 49).			
	If you used Pub. 972, enter the amount from line 8 of the Child Tax Credit Worksheet in the publication.			
<b>2</b>	Enter the amount from Form 1040, line 52; Form 1040A, line 35; or Form 1040NR, line 49	<b>2</b>		
<b>3</b>	Subtract line 2 from line 1. If zero, <b>stop</b> ; you cannot take this credit	<b>3</b>		<b>1,000</b>
<b>4a</b>	Earned income (see separate instructions)	<b>4a</b>	<b>52,035</b>	
<b>b</b>	Nontaxable combat pay (see separate instructions)	<b>4b</b>		
<b>5</b>	Is the amount on line 4a more than \$3,000? <input type="checkbox"/> No. Leave line 5 blank and enter -0- on line 6. <input checked="" type="checkbox"/> Yes. Subtract \$3,000 from the amount on line 4a. Enter the result	<b>5</b>	<b>49,035</b>	
<b>6</b>	Multiply the amount on line 5 by 15% (.15) and enter the result <b>Next.</b> Do you have three or more qualifying children? <input checked="" type="checkbox"/> No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part III and enter the smaller of line 3 or line 6 on line 13. <input type="checkbox"/> Yes. If line 6 is equal to or more than line 3, skip Part III and enter the amount from line 3 on line 13. Otherwise, go to line 7.	<b>6</b>		<b>7,355</b>

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 8812 (Form 1040A or 1040) 2014

**Brandon Tankersley**

Schedule 8812 (Form 1040A or 1040) 2014

**Part III Certain Filers Who Have Three or More Qualifying Children**

**7** Withheld social security, Medicare, and Additional Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If your employer withheld or you paid Additional Medicare Tax or tier 1 RRTA taxes, see separate instructions

7

**8 1040 filers:** Enter the total of the amounts from Form 1040, lines 27 and 58, plus any taxes that you identified using code "UT" and entered on line 62.

8

**1040A filers:** Enter -0-

**1040NR filers:** Enter the total of the amounts from Form 1040NR, lines 27 and 56, plus any taxes that you identified using code "UT" and entered on line 60.

9

**9** Add lines 7 and 8

**10 1040 filers:** Enter the total of the amounts from Form 1040, lines 66a and 71.

10

**1040A filers:** Enter the total of the amount from Form 1040A, line 42a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 46 (see separate instructions).

**1040NR filers:** Enter the amount from Form 1040NR, line 67.

**11** Subtract line 10 from line 9. If zero or less, enter -0-

11

**12** Enter the larger of line 6 or line 11

12

Next, enter the smaller of line 3 or line 12 on line 13.

**Part IV Additional Child Tax Credit**

**13** This is your additional child tax credit

13 1,000

1040	Enter this amount on Form 1040, line 67, Form 1040A, line 43, or Form 1040NR, line 64.
1040A	
1040NR	

Form **8829**

## Expenses for Business Use of Your Home

OMB No. 1545-0074

▶ **File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.**

2014

Department of the Treasury  
Internal Revenue Service (99)

▶ **Information about Form 8829 and its separate instructions is at [www.irs.gov/form8829](http://www.irs.gov/form8829).**

Attachment  
Sequence No. **176**

Name(s) of proprietor(s)

Your social security number

**Brandon Tankersley**

**259-51-7291**

### Part I Part of Your Home Used for Business

1 Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)	1	150
2 Total area of home	2	1500
3 Divide line 1 by line 2. Enter the result as a percentage	3	10.00%
<b>For daycare facilities not used exclusively for business, go to line 4. All others, go to line 7.</b>		
4 Multiply days used for daycare during year by hours used per day	4	hr.
5 Total hours available for use during the year (365 days x 24 hours) (see instructions)	5	8,760 hr.
6 Divide line 4 by line 5. Enter the result as a decimal amount	6	
7 Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	10.00%

### Part II Figure Your Allowable Deduction

8 Enter the amount from Schedule C, line 29, plus any gain derived from the business use of your home, minus any loss from the trade or business not derived from the business use of your home (see instructions). See instructions for columns (a) and (b) before completing lines 9-21.	8	57,023																																																																																																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 40%;">(a) Direct expenses</th> <th style="width: 40%;">(b) Indirect expenses</th> <th style="width: 15%;"></th> </tr> </thead> <tbody> <tr><td>9 Casualty losses (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>10 Deductible mortgage interest (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>11 Real estate taxes (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>12 Add lines 9, 10, and 11</td><td></td><td></td><td></td></tr> <tr><td>13 Multiply line 12, column (b) by line 7</td><td></td><td style="text-align: center;">13</td><td></td></tr> <tr><td>14 Add line 12, column (a) and line 13</td><td></td><td></td><td style="text-align: center;">14</td></tr> <tr><td>15 Subtract line 14 from line 8. If zero or less, enter -0-</td><td></td><td></td><td style="text-align: right;">57,023</td></tr> <tr><td>16 Excess mortgage interest (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>17 Insurance</td><td></td><td></td><td></td></tr> <tr><td>18 Rent</td><td></td><td></td><td></td></tr> <tr><td>19 Repairs and maintenance</td><td></td><td></td><td></td></tr> <tr><td>20 Utilities</td><td></td><td></td><td></td></tr> <tr><td>21 Other expenses (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>22 Add lines 16 through 21</td><td></td><td></td><td></td></tr> <tr><td>23 Multiply line 22, column (b) by line 7</td><td></td><td style="text-align: center;">23</td><td></td></tr> <tr><td>24 Carryover of prior year operating expenses (see instructions)</td><td></td><td style="text-align: center;">24</td><td></td></tr> <tr><td>25 Add line 22, column (a), line 23, and line 24</td><td></td><td></td><td style="text-align: center;">25</td></tr> <tr><td>26 Allowable operating expenses. Enter the smaller of line 15 or line 25</td><td></td><td></td><td style="text-align: right;">0</td></tr> <tr><td>27 Limit on excess casualty losses and depreciation. Subtract line 26 from line 15</td><td></td><td></td><td style="text-align: right;">57,023</td></tr> <tr><td>28 Excess casualty losses (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>29 Depreciation of your home from line 41 below</td><td></td><td style="text-align: right;">413</td><td></td></tr> <tr><td>30 Carryover of prior year excess casualty losses and depreciation (see instructions)</td><td></td><td style="text-align: right;">619</td><td></td></tr> <tr><td>31 Add lines 28 through 30</td><td></td><td></td><td style="text-align: right;">1,032</td></tr> <tr><td>32 Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31</td><td></td><td></td><td style="text-align: right;">1,032</td></tr> <tr><td>33 Add lines 14, 26, and 32</td><td></td><td></td><td style="text-align: right;">1,032</td></tr> <tr><td>34 Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 (see instructions)</td><td></td><td></td><td></td></tr> <tr><td>35 Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions</td><td></td><td></td><td style="text-align: right;">1,032</td></tr> </tbody> </table>				(a) Direct expenses	(b) Indirect expenses		9 Casualty losses (see instructions)				10 Deductible mortgage interest (see instructions)				11 Real estate taxes (see instructions)				12 Add lines 9, 10, and 11				13 Multiply line 12, column (b) by line 7		13		14 Add line 12, column (a) and line 13			14	15 Subtract line 14 from line 8. If zero or less, enter -0-			57,023	16 Excess mortgage interest (see instructions)				17 Insurance				18 Rent				19 Repairs and maintenance				20 Utilities				21 Other expenses (see instructions)				22 Add lines 16 through 21				23 Multiply line 22, column (b) by line 7		23		24 Carryover of prior year operating expenses (see instructions)		24		25 Add line 22, column (a), line 23, and line 24			25	26 Allowable operating expenses. Enter the smaller of line 15 or line 25			0	27 Limit on excess casualty losses and depreciation. Subtract line 26 from line 15			57,023	28 Excess casualty losses (see instructions)				29 Depreciation of your home from line 41 below		413		30 Carryover of prior year excess casualty losses and depreciation (see instructions)		619		31 Add lines 28 through 30			1,032	32 Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31			1,032	33 Add lines 14, 26, and 32			1,032	34 Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 (see instructions)				35 Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions			1,032
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### Part III Depreciation of Your Home

36 Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	161,000
37 Value of land included on line 36	37	
38 Basis of building. Subtract line 37 from line 36	38	161,000
39 Business basis of building. Multiply line 38 by line 7	39	16,100
40 Depreciation percentage (see instructions)	40	2.5640%
41 Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	413

### Part IV Carryover of Unallowed Expenses to 2015

42 Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	0
43 Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	0

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **4562**

**Depreciation and Amortization**  
(Including Information on Listed Property)

OMB No. 1545-0172

**2014**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

Attachment Sequence No. **179**

Name(s) shown on return

**Brandon Tankersley**

Identifying number

**259-51-7291**

Business or activity to which this form relates

**Moving Service**

**Part I Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	0
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10	6,707
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	62,698
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	6,707
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12	13	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2014	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

**Section B—Assets Placed in Service During 2014 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property		27.5 yrs.	MM	S/L	
i	Nonresidential real property		39 yrs.	MM	S/L	

**Section C—Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System**

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	6,707
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

**Brandon Tankersley**

Form 4562 (2014)

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A—Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

<b>24a</b> Do you have evidence to support the business/investment use claimed?		<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<b>24b</b> If "Yes," is the evidence written?		<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) .....								<b>25</b>			
<b>26</b> Property used more than 50% in a qualified business use:											
See Statement 2											
%											
%											
<b>27</b> Property used 50% or less in a qualified business use:											
%											
%											
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 .....										<b>28</b>	
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1 .....										<b>29</b>	

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
<b>30</b> Total business/investment miles driven during the year (do not include commuting miles) .....			76,418			
<b>31</b> Total commuting miles driven during the year .....						
<b>32</b> Total other personal (noncommuting) miles driven .....						
<b>33</b> Total miles driven during the year. Add lines 30 through 32 .....			76,418			
<b>34</b> Was the vehicle available for personal use during off-duty hours? .....	Yes	No	Yes	No	Yes	No
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person? .....						
<b>36</b> Is another vehicle available for personal use? .....						

**Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? .....	Yes	No
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners .....		X
<b>39</b> Do you treat all use of vehicles by employees as personal use? .....		X
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? .....		X
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) .....		X

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2014 tax year (see instructions):					
<b>43</b> Amortization of costs that began before your 2014 tax year .....					<b>1,666</b>
<b>44</b> Total. Add amounts in column (f). See the instructions for where to report .....					<b>1,666</b>

**Federal Statements**

**Moving Service**

**Statement 1 - Schedule C, Cost of Goods Sold, Line 39 - Other Costs**

Description	Amount
Boxes	\$ 3,910
Tools	453
Total	\$ <u>4,363</u>



**Federal Statements**

**Moving Service**

**Statement 2 - Form 4562, Line 26 - Property Used More Than 50% in a Qualified Business**

	Property Type							
	<u>Date</u>	<u>Bus %</u>	<u>Cost</u>	<u>Dep Basis</u>	<u>Per</u>	<u>Method</u>	<u>Deduct</u>	<u>Sec 179</u>
Truck	1/01/10	100.00	\$	\$			\$	\$
2002 International	6/01/12	100.00						
2000 Chevy	5/01/07	100.00						
1999 Ford	10/01/07	100.00						
2000 Freighliner	2/01/07	100.00						
2007 Tacoma	3/31/08	100.00						
1999 Ford Truck	1/01/11	100.00						
2004 International	1/01/09	100.00						
Total			\$ <u>0</u>	\$ <u>0</u>			\$ <u>0</u>	\$ <u>0</u>

AMDISA259-51-7291 MFT>30 TX-PRD>201412  
PRIMARY-NAME>TANKERSLEY, BRANDON  
LAST-AMT-PUT-IN-CUM>\$ 0.00  
EXAM-CUM-ASSMNT-AMT>\$ 0.00  
MAN-ASSMNT-AMT> \$ 0  
UNAGREED-AMT> \$ 0  
EXAM-ADJ-AMT> \$ 0  
AIMS/EXAM-RESULTS> \$ 0

NM-CTRL>TANK  
JULIAN-DT>2017191

Employee #2247760868 Page 003 of 003 PAGE 001

SC>17 CSC

AMDISA259-51-7291 MFT>30 TX-PRD>201412  
PRIMARY-NAME>TANKERSLEY, BRANDON  
ASED>04/15/2018  
SOURCE-CD>10 MULTI-YEAR: DIF RELATED

NM-CTRL>TANK  
JULIAN-DT>2017191  
OPNG-CRTN-DT>10/14/2016  
EXAM-START-CD/DT>317 10/12/2016

DIF-SCORE> [REDACTED] (b)(3)26  
ACTY-CD>276 U.S.C. § 6103;  
(b)(7)(E)

DIF/DAS-RSN-CD>R

DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0

PBC>202 SBC>23500 POD>362

EGC/DT>1508 10/12/2016

PRIOR-EGC/DT>0000 00/00/0000

CURRENT-STATUS-CD/DATE

PRIOR-STATUS-CD/DATE

12 STARTED

10/12/2016

PROJ-CD>0158

PICF-CD>

XREF-DLN>17277286200006

RET-RECDV-DT>04/15/2015

RET-PSTNG-YR>2015 UPDT-CD>Q PR-UPDT-CD>S

CAF-IND>5

TC424-CD>2

NM-LN-YR>2010 MF-NAME-LINE>BRANDON TANKERSLEY

ADD-CHG-CYC>201549

CONT-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW

CITY>CLEVELAND

STATE>TN ZIP>373111772

SC>17 CSC

Employee #2247760868 Page 001 of 003 PAGE 002

AMDISA259-51-7291 MFT>30 TX-PRD>201412

NM-CTRL>TANK

PRIMARY-NAME>TANKERSLEY, BRANDON

JULIAN-DT>2017191

AIMS-OPENING-SOURCE-CD>10

RETURN-FORM-NUMBER>1040

TECH-SERVICES-CD/DT>000

PRIOR-TECH-SERVICES-CD/DT>000

C-F-IND>1

EITC-PROJECT-CD-IND>N

TOT-POS-INCOME-AMT>\$

55,991

EXAM-NAICS-CD>484110

RET/5546/LABELS NOT REQ

MEF RETURN

ESTIMATED-TAX-IND

BOD-CD>SB

CLIENT-CD>O

OPENING-DLN>30211507282455

PICF-CD>

PCS-1-YR-CLS-CD>

SC>17 CSC

Employee #2247760868 Page 002 of 003 PAGE 003

IMFOLT259-51-7291 30201412P01 IMF TAX MODULE  
30211-507-28245-5  
BRANDON TANKERSLEY

NM CTRL:TANK WEEKLY  
SPSSN UP-CYC:2801  
TOT EXEMPTIONS:02 BFS :

FSC:1 STATUS:12 STATUS DATE:05252015 AIMS :0  
NEXT CSED:05-25-2025 ASSESSD BAL: .00 SETTLE DATE:05252015 LIEN :  
LAST CSED:05-25-2025 TOT INTERST: .00 INTEREST DATE:06052017 BWI :  
FIRST CSED:05-25-2025 INT ASSESSD: .00 DISASTER RDD : BWNC :0  
ASED:04-15-2018 INT PAID: .00 DISASTERSTART: CC81 :0  
RSED:04-15-2018 FTP TOTAL: .00 GOVERN SC:28 HIST LC:62 CC85 :0  
FREEZE: -L FTP ASSESSD: .00 MATH IN: TDA COPY: TC914:0

INDICATORS:  
EFT-IND:9 DDRC:00 PDC-CD:00 SBND1:00 SBND2:00 SBND3:00 MEFBI:0 ARDI :0  
SETTL CYC:20151805 FEB15 RFND FRZ:0 LEVY-971-IND:00

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
150	05252015	8,411.00	20151805	30211-507-28245-5	RECEIVED-DATE: 04152015
610	04192015	7,564.00-	20151705	39270-116-23608-5	CDDDB36052015116001083154
766	04152015	1,000.00-	20151805	30211-507-28245-5	REF-NUM:336
971	05252015	.00	20151805	30277-507-28245-5	XREF35201412
		ACT-CD: 530			MEMO: 143.00
170	05252015	10.00	20151805	30211-507-28245-5	CSED:05252025
896	05252015	143.00	20151805	30211-145-28245-5	MFT:35
425	10122016	.00	20164105	17277-286-20000-6	SOURCE-CD:10 SPC:0158
		EGC:1508			PBC:202 SBC:23500

PAGE 001 OF 002 IMFPG 002 DS:R

IMFOLT259-51-7291 30201412P02 IMF TAX MODULE

NM CTRL:TANK WEEKLY  
UP-CYC:2801

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
420	10142016	.00	20164205	17277-288-00000-6	SOURCE-CD:10 PBC:202
					SBC:23500 EGC:1508
960	05112017	.00	20172005	64277-531-04990-7	

PAGE 002 OF 002 IMFPG 001 DS:R

## Transcript Reconciliation - 2014

NM CTRL: TANK  
 TIN: 259-51-7291

Code	Indicator	Date	Amount	Description	Type	Tax Due	Tax Paid	Interest	Penalty	Other
150		05/25/15	8,411.00	TAX ASSESSMENT-RETURN	A-TaxDue	8,411.00				
610		04/19/15	(7,564.00)	REMITTANCE WITH RETURN	B-TaxPaid		(7,564.00)			
766		04/15/15	(1,000.00)	REFUNDABLE CREDIT ALLOWANCE	B-TaxPaid		(1,000.00)			
971	AC: -	05/25/15	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
170		05/25/15	10.00	ES TAX PENALTY	D-Penalty				10.00	
896		05/25/15	143.00	OVERPAYMENT CREDIT OFFSET	B-TaxPaid		143.00			
425		10/12/16	0.00	REVERSED TC 424	E-Other					0.00
420		10/14/16	0.00	EXAMINATION INDICATOR	E-Other					0.00
960		05/11/17	0.00	ADDS CAF INDICATOR	E-Other					0.00
0										
0										
GRAND TOTALS						8,411.00	(8,421.00)	-	10.00	-
OUTSTANDING BALANCE						-				

<b>-Examining Officer's Activity Record</b>	Examining Officer <b>T. Vantrease</b> <b>Tech Services Reviewer</b>	Date assigned/Opened 7/13/17
Tankersley, Brandon 848 Grove Circle NW Cleveland, TN 37311  Business name and address   Residence telephone number ( ) Business telephone number ( ) Fax telephone number ( )	Taxpayer's Representative name and address   Representative has ("x" proper box) <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Taxpayer's Authorization  Representative's telephone number Fax telephone number ( )	

**Contacts and Activities**

Date <small>(mm/dd/yyyy)</small>	LOC	CONT	Time On Activity	Remarks, Notes, Action Taken
7/13/2017				Case received for preparation of statutory notice of deficiency IDRS research: address INOLE ✓ SPARQ ✓ W/IRP Reconciled ✓ IMFOLI/T and CFINK: POA ✓/N Reviewed case (issues, penalties approved if applicable, comps.) Prepared statnotice, Letter 531, Form 4089 and Form 4549 and stnd expl.
7/20/17			2	Prepared notices for TP, TPW and POA
				Retrieved idrs. Downloaded file. Sent SND to 2 addresses. Researched accurint.
AUG 02 2017				Issued SND to TP certified
9-25-17				SND was returned unable to forward. Sent SND to new address from INOLE

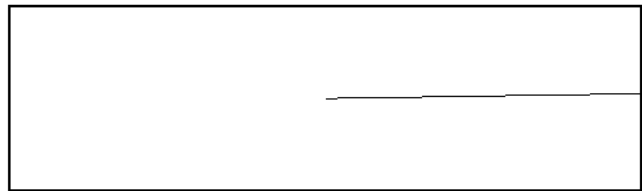
CONT = Contact Codes    1. Field Visit    2. Telephone    3. Correspondence    4. Other (explain in remarks)  
 LOC = Location of Activity    T = Taxpayer residence / business    R = Representative Office    O = Other (explain in remarks)

INOLES259-51-7291 CURRENT IMF N/C TANK  
CURRENT IMF NAMELINE  
BRANDON TANKERSLEY  
848 GROVE CIR NW  
CLEVELAND TN 37311-1772 486  
TAXYR 2015 FSC 4

LOC CD 6225 LUC 20171601  
ADDRESS UPDATE CYC 20154905 ERP NP  
PRIOR IMF NAMELINES ITIN STATUS  
TAXYR 2010 FSC 1  
BRANDON TANKERSLEY

IMF N/C TANK BRAM  
SSA N/C BRAM TANK

(b)(3)26  
U.S.C. §  
6103



(b)(3)26 U.S.C.  
§ 6103

UPDT [redacted] DOB 10031985 DOD 00000000  
SCRAMBLED SSN 00 MFR 05 FYM 12 DEBT IND I  
BOD CD SB BOD CLIENT CD O EITC IND 0

PRIM TXPR NAMLN  
BRANDON TANKERSLEY

XREF/TRANS INFO  
CODE UCYC TIN

TIN ASGNMT  
00000000



(b)(3)26  
U.S.C. § 6103

AMDISA259-51-7291 MFT>30 TX-PRD>201412  
PRIMARY-NAME>TANKERSLEY, BRANDON  
ASED>04/15/2018  
SOURCE-CD>10 MULTI-YEAR: DIF RELATED

NM-CTRL>TANK  
JULIAN-DT>2017191  
OPNG-CRTN-DT>10/14/2016  
EXAM-START-CD/DT>317 10/12/2016

DIF-SCORE> [REDACTED] (b)(3);26  
ACTY-CD>276 U.S.C. § 6103;  
(b)(7)(E)

DIF/DAS-RSN-CD>R

DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0

PBC>202 SBC>23500 POD>362

EGC/DT>1508 10/12/2016

PRIOR-EGC/DT>0000 00/00/0000

CURRENT-STATUS-CD/DATE

PRIOR-STATUS-CD/DATE

12 STARTED

10/12/2016

PROJ-CD>0158

PICF-CD>

XREF-DLN>17277286200006

RET-RECVD-DT>04/15/2015

RET-PSTNG-YR>2015 UPDT-CD>Q PR-UPDT-CD>S

CAF-IND>5

TC424-CD>2

NM-LN-YR>2010 MF-NAME-LINE>BRANDON TANKERSLEY

ADD-CHG-CYC>201549 CONT-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW

CITY>CLEVELAND

STATE>TN ZIP>373111772

SC>17 CSC

Employee #2247760868 Page 001 of 003 PAGE 002

AMDISA259-51-7291 MFT>30 TX-PRD>201412  
PRIMARY-NAME>TANKERSLEY, BRANDON  
AIMS-OPENING-SOURCE-CD>10 RETURN-FORM-NUMBER>1040  
TECH-SERVICES-CD/DT>000

NM-CTRL>TANK  
JULIAN-DT>2017191

PRIOR-TECH-SERVICES-CD/DT>000

C-F-IND>1

EITC-PROJECT-CD-IND>N

TOT-POS-INCOME-AMT>\$ 55,991

EXAM-NAICS-CD>484110 RET/5546/LABELS NOT REQ

MEF RETURN

ESTIMATED-TAX-IND

BOD-CD>SB CLIENT-CD>O

OPENING-DLN>30211507282455

PICF-CD>

PCS-1-YR-CLS-CD>

SC>17 CSC

Employee #2247760868 Page 002 of 003 PAGE 003



AMDISA259-51-7291 MFT>30 TX-PRD>201412

NM-CTRL>TANK

PRIMARY-NAME>TANKERSLEY, BRANDON

JULIAN-DT>2017191

LAST-AMT-PUT-IN-CUM>\$	0.00
EXAM-CUM-ASSMNT-AMT>\$	0.00
MAN-ASSMNT-AMT> \$	0
UNAGREED-AMT> \$	0
EXAM-ADJ-AMT> \$	0
AIMS/EXAM-RESULTS> \$	0

Employee #2247760868 Page 003 of 003 PAGE 001

SC>17 CSC

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK  
 30211-507-28245-5<DLN BOD-CD>SB CLIENT-CD>O  
 ENT-CTRL  
 MF-XTRCT-CYC>20172705 SC-REASON-CD>33  
 SC-STS>12 MOD-BAL> 0.00 CYC>201641  
 MF-STS>12 MOD-BAL> 0.00 CYC>20151805 TODAYS-DT>07/10/2017  
 PRIMARY-LOC>6225

-----  
 ASED>04152018 FRZ> -L | AIMS-CD>1 CL-ASGMT>25007000 PDC-IND>00  
 CSED>05252025 INTL> | CAF>5  
 RSED>04152018 | NAICS-CD>484110  
 -----  
 EFT>9  
 DESG-CKBX>1 DPIN>11291

CS-CTRL-INFO>NO CASE CONTROLS  
 -----POSTED RETURN INFORMATION-----  
 RET-RCVD-DT>04152015 TX/TPR> 8,411.00  
 FS>1 NUM-EXEMPT>02 PTIN>11291  
 AGI> 17,456.00 EST-TX-BASE> 7,411.00  
 TXI> 3,356.00 PRIM-SE-INCM> 51,707  
 SET> 7,911  
 FTTHBCR-RCAP> 500.00 CKBOX>1  
 TX-SHOWN-RTN-AMT> 7,411.00 TAX-ASSESSED-AMT> 7,411.00  
 PMEI> 51,707

Employee #2247760868 Page 001 of 003 PAGE 002

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK  
 -----RETURN TRANSACTION-----  
 T/C POSTED TRANS-AMOUNT CYC T DLN  
 150 05252015 8,411.00 20151805 D 30211-507-28245-5  
 -----POSTED TRANSACTIONS SECTION-----  
 T/C POSTED TRANS-AMOUNT CYC-DAY T DLN  
 610 04192015 7,564.00- 20151705 39270-116-23608-5  
 TRACE-ID>36052015116001083154  
 766 04152015 1,000.00- 20151805 30211-507-28245-5 CR-ID-NUM>336  
 971 05252015 0.00 20151805 30277-507-28245-5 971-CD>530  
 XREF-MFT>35 XREF-TX-PRD>201412  
 MEMO-MONEY-AMT> 143.00  
 170 05252015 10.00 20151805 30211-507-28245-5  
 CSED>20250525  
 896 05252015 143.00 20151805 30211-145-28245-5  
 XREF-MFT>35 XREF-TX-PRD>000000  
 424R 10122016 0.00 20164105 17277-286-20000-6 SOURCE-CD>10  
 SPCL-PROJ>0158  
 PBC>202 SBC>23500 EGC>1508  
 420 10142016 0.00 20164205 17277-288-00000-6  
 PBC>202 SBC>23500 EGC>1508  
 960 05112017 0.00 20172005 64277-531-04990-7 MF-CAF-CD>5

Employee #2247760868 Page 002 of 003 PAGE 003

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK

-----SERVICE CENTER HISTORY SECTION-----

SC-STS	DATE	STATUS-AMOUNT	CYC
12	10312016	0.00	201641

-----MASTER FILE HISTORY SECTION-----

MF-STS	DATE	STATUS-AMOUNT	CYC	CCNIP-SELECT-CD
12	05252015	0.00	20151805	

Employee #2247760868 Page 003 of 003 PAGE 001

# Technical Services Topsheet

Issue Date **AUG 02 2017**

**Case Information:**

Program/Type of Case: Form 1040 Individual Income Tax Rtn. **Action Date:** \_\_\_\_\_  
 Name: Tankersley, Brandon Earliest Statute: 04/15/2018  
 Years: 201412 TIN: 259-51-7291  
 Other/Related Info: \_\_\_\_\_ MFT: 30  
 RGS LAN  Yes - Server #: 52/7Q  No Non-AIMS Record  Yes  No

**Group Manager:**

No Necessary Action: \_\_\_\_\_  FYI/Review: \_\_\_\_\_  
 Signature/Initial Requested: \_\_\_\_\_  Other: \_\_\_\_\_

**Secretary/TE Section:**

Assign to Gina Update ERCS to Suspense Type: \_\_\_\_\_  
 Form 3990 - Return to Group \_\_\_\_\_ Reason Code for Returning Case: \_\_\_\_\_  
 To SBSE Counsel - Atlanta/Austin/Birmingham/Dallas/Houston/Nashville/New Orleans (Circle One)  
 To LMSB Counsel  
 Other: \_\_\_\_\_

**90 Day Section:**

90-Day Instructions: PLEASE ISSUE STAT-NOTICE **Defaulted**  
 Special Instructions: \_\_\_\_\_

Petition Date **OCT 31 2017**

**Update ERCS Review & Suspense Type to:**

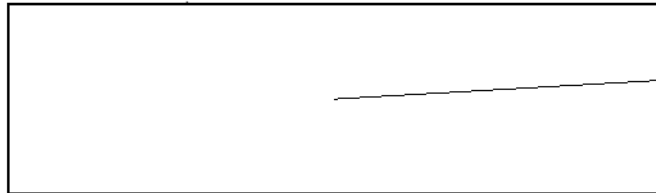
	Review	Suspense		Review	Suspense
<input type="checkbox"/> Employee Audits	01	520	<input type="checkbox"/> Non-TEFRA Flow Through & Related	26	571
<input type="checkbox"/> Notice of Claim Disallowance	07	520	<input type="checkbox"/> Non-TEFRA Case to Area Counsel	42	573
<input type="checkbox"/> Special Processing			<input type="checkbox"/> Statutory Notices - Prep	87	573
<input type="checkbox"/> Other _____			<input type="checkbox"/> Other _____		
<b>Status 22</b>			<b>Status 28</b>		
<input type="checkbox"/> Protested to Appeals	32	501	<input type="checkbox"/> Statutory Notices - Issued	88	576
<input type="checkbox"/> Taxpayer Advocate	22	503	<input type="checkbox"/> Other _____		
<input type="checkbox"/> Interest/Penalty Abatement 30-day	08	528	<b>Status 29</b>		
<input type="checkbox"/> Innocent Spouse 30-day	02	531	<input type="checkbox"/> Other _____		
<input type="checkbox"/> OIC 30-day	10	532	<b>Status 30</b>		
<b>Status 23</b>			<input type="checkbox"/> 1254 Suspense	44	590
<input type="checkbox"/> EQMS	33	500	<b>Status 32</b>		
<input type="checkbox"/> LQMS	15	502	<input type="checkbox"/> Fraud Suspense	45	591
<b>Status 24</b>			<input type="checkbox"/> Fugitive Suspense	43	591
<input type="checkbox"/> Interest/Penalty Abatement	08	529	forward to Floyd Braswell - Atlanta TS		
<input checked="" type="checkbox"/> Statutory Notices - Field	34	534	<b>Status 36</b>		
<input type="checkbox"/> Statutory Notices - Office	35	535	<input type="checkbox"/> Grand Jury Suspense	46	592
<input type="checkbox"/> Innocent Spouse - Final	02	537	<input type="checkbox"/> Fugitive Suspense	43	592
<input type="checkbox"/> Section 7436 - Final	38	538	forward to Floyd Braswell - Atlanta TS		
<input type="checkbox"/> Statutory Notices - Field - outside US	34	540	<b>Status 38</b>		
<input type="checkbox"/> Statutory Notices - Office - outside US	35	541	<input type="checkbox"/> Joint Committee	04	595
<b>Status 25</b>			<input type="checkbox"/> Revenue Procedure 92-29	41	595
<input type="checkbox"/> Statutory Notices - Field	34	544	<input type="checkbox"/> Hobby Losses - 183	47	595
<input type="checkbox"/> Statutory Notices - Office	35	545	<input type="checkbox"/> Bankruptcy Suspense	48	593
<input type="checkbox"/> Section 7436	38	544	<input type="checkbox"/> Protective Claims	49	594
<input type="checkbox"/> Case to Area Counsel	42	542	<input type="checkbox"/> Section 1033	50	595
			<input type="checkbox"/> Headquarters Suspense	53	594
			<input type="checkbox"/> Combat Zone	55	594

Default Date **NOV 15 2017**

Reviewer: Terry Vantrease Phone: 615-250-5777 Date: 07/20/17

INOLES259-51-7291 CURRENT IMF N/C TANK  
CURRENT IMF NAMELINE  
BRANDON TANKERSLEY  
2435 VALLEY HILLS DR NW  
CLEVELAND TN 37311-3528 359  
TAXYR 2015 FSC 4

LOC CD 6225 LUC 20173105  
ADDRESS UPDATE CYC 20173105 ERP NP  
PRIOR IMF NAMELINES ITIN STATUS  
TAXYR 2010 FSC 1  
BRANDON TANKERSLEY

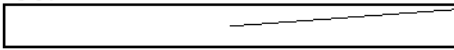


(b)(3):26  
U.S.C. §  
6103

IMF N/C TANK BRAM (b)(3):26  
SSA N/C BRAM TANK U.S.C. § 6103

UPDT [redacted] DOB 10031985 DOD 00000000  
SCRAMBLED SSN 00 MFR 05 FYM 12 DEBT IND I PRIM TXPR NAMLN  
BOD CD SB BOD CLIENT CD 0 EITC IND 0 BRANDON TANKERSLEY

XREF/TRANS INFO TIN ASGNMT  
CODE UCYC TIN 00000000

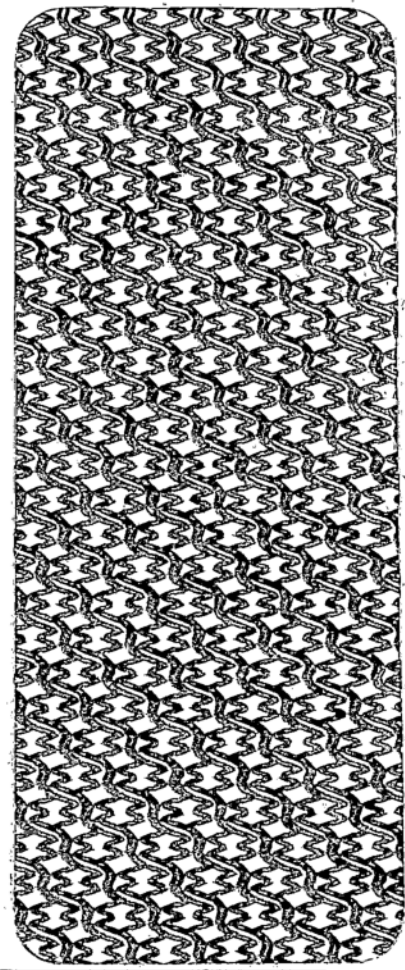


(b)(3):26  
U.S.C. §  
6103

Internal Revenue Service

MS 12  
Room 436  
801 Broadway  
Nashville, TN 37203-3816

Official Business  
Penalty for Private Use, \$300



**CERTIFIED MAIL**  
7016 3560 0000 8212 8515

ML  
8-19-17

7-2  
9-12

Route  
**Nashville**  
Delivery Point  
**IRS Nashville**  
**TNNMS 12**

70163560000082128515  
9/22/2017 10:38:12 AM  
W10000BFJ3

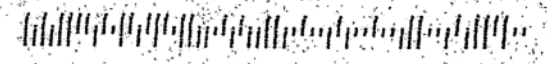


neopost  
08/02/2017  
**US POSTAGE \$004.960**  
FIRST-CLASS MAIL  
us OFFICIAL MAIL  
\$300 Penalty  
For Private Use  
ZIP 37203

NIXIE

09/18/17

RETURN TO SENDER  
NOT DELIVERABLE AS ADDRESSED  
UNABLE TO FORWARD



**Department of the Treasury**  
**Internal Revenue Service**

**FILE COPY**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

---



Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed

801 Broadway MDP 12  
Nashville TN 37203

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

Date: AUG 02 2017

Taxpayer ID number (last 4 digits):  
7291

Taxpayer name:  
BRANDON TANKERSLEY

Form number:  
1040

Years:  
December 31, 2014

Person to contact / ID number:  
G. Burgess 0342121  
Contact telephone number:  
615-250-6006  
Contact fax number:  
(615) 250-5796

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

Susan M. Lamastro  
Territory Manager, Tech Services

Enclosures:

- Letters Letter 531
- Reports Form 4549A
- Copy of Determination Letter
- Other Form 4089



**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
848 GROVE CIRCLE NW  
CLEVELAND TN 37311-1772

---



**Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed**

801 Broadway MDP 12  
Nashville TN 37203

Date: **AUG 02 2017**

Taxpayer ID number:  
259-51-7291

Form:  
1040

Person to contact:  
G. Burgess

Contact telephone number:  
615-250-6006

Contact fax number:  
(615) 250-5796

Employee ID number:  
0342121

Last day to file petition with US tax court:

**OCT 31 2017**

CERTIFIED MAIL

BRANDON TANKERSLEY  
848 GROVE CIRCLE NW  
CLEVELAND TN 37311-1772

Tax Year Ended:	December 31, 2014
Deficiency:	
Increase in tax	\$26,406.00
Penalties or Additions to Tax	
IRC 6662	5,281.20

Dear BRANDON TANKERSLEY:

**Why we are sending you this letter**

We determined that you owe additional tax or other amounts, or both, for the tax year or years identified above. This letter is your **Notice Of Deficiency**, as required by law. The enclosed Form 4549-A, *Income Tax Discrepancy Adjustments* or Form 5278, *Statement - Income Tax Changes*, shows how we figured the deficiency.

**If you wish to challenge this determination**

If you want to challenge this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court to reconsider the deficiency.

**Information you will need**

If you have recently sought bankruptcy relief by filing a petition in bankruptcy court, see enclosed Notice 1421, *How Bankruptcy Affects Your Right to File a Petition in Tax Court in Response to a Notice of Deficiency*.

You can get a copy of the rules for filing a petition and a petition form by writing to the following address:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

- The Tax Court has a simplified procedure for small tax cases when the dispute for each tax year is \$50,000 or less.
- If you use this simplified procedure, you cannot challenge the Tax Court's decision. You can get information on the simplified procedure for small cases from the Tax Court by writing to the court at the address above or from the court's internet site at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).
- If you file a petition for multiple tax years and the dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you.

### **The law regarding married couples**

The law requires separate notices for husbands and wives. Both must sign and file the petition or each must file a separate, signed petition if this letter is addressed to both husband and wife, and both want to petition the Tax Court.

If only one spouse is in bankruptcy at the time this letter was issued or files a bankruptcy petition after the date of this letter, the bankruptcy automatic stay does not prohibit the spouse who is not in bankruptcy from filing a petition with Tax Court. The bankruptcy automatic stay of the spouse seeking bankruptcy relief does not extend the time for filing a petition in Tax Court for the spouse who is not in bankruptcy.

### **How to file your petition form**

Send the completed petition form, a copy of this letter, and copies of all statements and/or schedules you received with this letter to the Tax Court at the address above. If more than one tax year is shown above, you may file one petition form showing all of the years you are challenging.

You may represent yourself before the Tax Court, or you may be represented by anyone admitted to practice before the Tax Court.

### **The limits on filing a petition**

The time you have to file a petition in the Tax Court is set by law.

1. The petition is considered timely filed if the postmark date falls within the prescribed 90 or 150 day period and the envelope containing the petition is properly addressed with the correct postage.
2. The Tax Court cannot consider your case if your Tax Court petition is filed late. IRS cannot grant an extension or allow a suspension of the prescribed deadline, even for reasonable cause. Thus, contacting the Internal Revenue Service (IRS) for more information, or receiving other correspondence from the IRS won't change the allowable period for filing a petition with the Tax Court.

### **If you agree with the Notice of Deficiency**

If you decide not to file a petition with the Tax Court, please sign the enclosed Form 4089-B, *Notice of Deficiency - Waiver*, and return it to us at the IRS address on the top of the first page of this letter. This will permit us to assess the deficiency quickly and can help limit the accumulation of interest.

### **If we don't hear from you**

If you decide not to sign and return Form 4089-B, and you do not file a petition with the Tax Court within the time limit, the law requires us to assess and bill you for the deficiency after 90 days from the date of this letter (150 days if this letter is addressed to you outside the United States).

**Note:** If you are a C-corporation, Section 6621(c) of the Internal Revenue Code requires that we charge an interest rate two percent higher than the normal rate on corporate underpayments in excess of \$100,000.

**Information about the IRS Taxpayer Advocate Office**

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. You may be eligible for help from the Taxpayer Advocate Service (TAS) if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should. TAS is your voice at the IRS. TAS helps taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation (this includes businesses as well as individuals). You can reach TAS by calling the TAS toll-free number at 1-877-777-4778 or by contacting the local Taxpayer Advocate office at:

801 Broadway Stop 22  
Nashville, TN 37203

To learn more about TAS and your basic tax responsibilities, visit [www.TaxpayerAdvocate.irs.gov](http://www.TaxpayerAdvocate.irs.gov).

**How to contact us**

You may write or call the contact person whose name, telephone number, and IRS address are shown in the heading of this letter if you need further assistance. If you write, please include your telephone number, the best times if we need to call you and a copy of this letter to help us identify your account.

If you prefer to call and the telephone number is outside your local calling area, there may be a long distance charge to you.

Keep the original letter for your records.

Sincerely,

John A. Koskinen

Commissioner

By  Susan M. Lamastro

Susan M. Lamastro

Territory Manager, Tech Services

Enclosures:

Form 4549-A or Form 5278

Form 4089-A or Form 4089-B

Continuation Sheet

---

NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

---

Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

Accuracy-related Penalty IRC section 6662

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Name and address of taxpayer(s) BRANDON TANKERSLEY 848 GROVE CIRCLE NW CLEVELAND TN 37311-1772	Social Security or Employer Identification Number 259-51-7291
---	--

Kind of tax  Income	<input checked="" type="checkbox"/> Copy to authorized representative  Joe Honey Jr 4295 Cromwell Rd Ste 305 Chattanooga, TN 37421-2163
---------------------------	---

**DEFICIENCY — Increase in Tax and Penalties**

Tax Year Ended:	December 31, 2014
Deficiency: Increase in tax	26,406.00
Penalties	
IRC 6662 20%	5,281.20

**See the attached explanation for the above deficiencies**

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.

Your Signature \_\_\_\_\_ (Date signed)

Spouse's Signature  
(If A Joint Return Was Filed) \_\_\_\_\_ (Date signed)

Taxpayer's Representative Sign Here \_\_\_\_\_ (Date signed)

Corporate Name \_\_\_\_\_

Corporate Officers Sign Here

	(Signature)	(Title)	(Date signed)
	(Signature)	(Title)	(Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

---

## Instructions for Form 4089 B

---

### Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

### Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

### Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
  
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

IRC section 6662

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).



Name and Address of Taxpayer

BRANDON TANKERSLEY  
848 GROVE CIRCLE NW  
CLEVELAND TN 37311-1772

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

Person with whom  
examination  
changes were  
discussed.

Name and Title:  
BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2014	Period End	Period End
a. Other Income	2,051.00		
b. Taxable Interest	12.00		
c. Sch C1 - Expenses for Business Use of Home	1,032.00		
d. Sch C1 - Contract labor	8,500.32		
e. Self-Employed Health Insurance	16,655.00		
f. Sch C1 - Other Expenses - Website Fees	4,200.00		
g. Sch C1 - Oth Expenses - Amortization	1,666.00		
h. Sch C1 - Advertising	34,775.00		
i. Sch C1 - Utilities	2,736.00		
j. NOL Carryforward	17,924.00		
k. SE AGI Adjustment	(3,738.00)		
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	<b>85,813.32</b>		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	<b>3,356.00</b>		
<b>4. Corrected Taxable Income</b>	<b>89,169.00</b>		
Tax Method	TAX TABLE		
Filing Status	Single		
<b>5. Tax</b>	<b>18,150.00</b>		
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	<b>18,150.00</b>		
<b>8. Less Credits</b>			
a. Child Care Credit	220.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	<b>17,930.00</b>		
<b>10. Plus Other Taxes</b>			
a. Shared responsibility payment (as reported)	143.00		
b. Self Employment Tax	15,387.00		
c. First-Time Homebuyer Credit Repayment	500.00		
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	<b>33,960.00</b>		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	<b>8,554.00</b>		
<b>13. Adjustments to:</b>			
a.			
b.			
c. Addnl Child Tax Credit	(1,000.00)		
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	<b>26,406.00</b>		
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	<b>26,406.00</b>		

Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2014	Period End	Period End
a. Accuracy-IRC 6662	5,281.20		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>5,281.20</b>		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00		
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	26,406.00		
b. Penalties (Line 18) - computed to 07/20/2017	5,281.20		
c. Interest (IRC § 6601) - computed to 08/19/2017	2,783.41		
d. TMT Interest - computed to 08/19/2017 (on TMT underpayment)	0.00		
e. Amount due or refund - (sum of Lines a, b, c and d)	34,470.61		

**Other Information:**

Examiner's Signature: Name	Employee ID:	Office: Tech Svs. Nashville, TN	Date: 07/20/2017
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2014

**Other Income**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$0.00	\$2,051.00	\$2,051.00

The amount of your debt which was cancelled or forgiven is includible in income. The source and the amount of cancelled income is shown below.

Form 1099-C - Capital One Bank USA NA - \$ 2,051.00

**Taxable Interest**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$0.00	\$12.00	\$12.00

All interest income is includible in income, unless specifically exempted by law. The source and the amount of interest income is shown below.

Form 1099-Int. - US Bank Home Mortgage - \$ 12.00

**Sch C1 - Expenses for Business Use of Home**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$1,032.00	\$0.00	\$1,032.00

Form 1040 Schedule C1 expense for business use of the home has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Contract labor**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$8,929.00	\$428.68	\$8,500.32

Form 1040 Schedule C1 contract labor expense was adjusted to the amount verified during our examination.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended: 2014	

**Self-Employed Health Insurance**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$16,655.00	\$0.00	\$16,655.00

Form 1040 self-employed health insurance expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Other Expenses - Website Fees**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$4,200.00	\$0.00	\$4,200.00

Form 1040 Schedule C1 other expense / website fees have been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Oth Expenses - Amortization**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$1,666.00	\$0.00	\$1,666.00

Form 1040 Schedule C1 other expense / amortization expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Advertising**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$34,775.00	\$0.00	\$34,775.00

Form 1040 Schedule C1 advertising expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Utilities**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$2,736.00	\$0.00	\$2,736.00

Form 1040 Schedule C1 utilities expense have been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2014

**NOL Carryforward**

Tax Period	Per Return	Per Exam	Adjustment
2014	(\$17,924.00)	\$0.00	\$17,924.00

We have adjusted your net operating loss as shown in the accompanying computations. Since it was not verified that you were entitled to the net operating loss, it was disallowed.

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$3,956.00	\$7,694.00	(\$3,738.00)

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$7,911.00	\$15,387.00	\$7,476.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

Name of Taxpayer: BRANDON TANKERSLEY

07/20/2017

Identification Number: 259-51-7291

Total

18.20.00

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**2014 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	103,269.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	29,000.00
5. Multiply line 4 by .05	1,450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

07/20/2017  
18.20.00

201412 - FORM 2441 - CHILD AND DEPENDENT CARE EXPENSES

Credit for Child and Dependent Care Expenses

1. Qualified expense incurred and paid	1,100.00	0.00
2. Total of qualified expenditures, incurred and paid		1,100.00
3. Enter 3,000.00 ( 6,000.00 if two or more qualifying persons). If employer provided benefits received, enter amount from line 29		1,100.00
4. Earned income		101,206.00
5. Earned income of spouse if applicable; otherwise, enter amount from line 4		101,206.00
6. Smaller of line 2, 3, 4, or 5		1,100.00
7. Adjusted gross income		103,269.00
8. Percentage applicable to amount on line 7		20.00%
9. Multiply line 6 by line 8		220.00
10. Child and dependent care credit - tentative		220.00
11. Child and dependent care credit - limitation		18,150.00
12. Child and dependent care credit - allowed		220.00

Dependent Care Benefits

13. Employer provided dependent care benefits utilized in the current year		0.00
14. Qualified expenses incurred, regardless of when paid		1,100.00
15. Smaller of line 13 or 14		0.00
16. Earned income		101,206.00
17. Earned income of spouse if applicable; otherwise, enter amount from line 16		101,206.00
18. Smaller of lines 15, 16, or 17		0.00
19. Enter \$5,000 (or \$2,500 if married filing separately and not considered unmarried)		5,000.00
20. Amount from line 13 received from sole proprietorship or partnership; if Form 1040A, skip to line 23		0.00
21. Subtract line 20 from line 13		0.00
22. Deductible benefits. Smaller of line 18, 19, or 20		0.00
23. Excluded benefits. Subtract line 22 from the smaller of line 18 or 19; if line 20 is 0 or if Form 1040A, smaller of line 18 or 19		0.00
24. Taxable benefits. Subtract line 23 from line 21; if Form 1040A, subtract line 23 from line 13		0.00
25. Enter 3,000.00 (6,000.00 if two or more qualifying persons)		3,000.00
26. Add lines 22 and 23; if Form 1040A, enter amount from line 23		0.00
27. Subtract line 26 from line 25		3,000.00
28. If line 2 equals line 14, subtract lines 22 and 23 from line 2; otherwise, enter line 2 amount		1,100.00
29. Smaller of line 27 or 28		1,100.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

07/20/2017  
Total 18.20.00

2014 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	108,900.32
2. Multiply line 1 by 92.35%	100,569.45
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	100,569.45
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	117,000.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,470.61
13. Multiply line 5 by 2.90%	2,916.51
14. Self-employment tax (sum of lines 12 and 13)	15,387.12

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00



**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	26,406.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	5,281.20
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	5,281.20

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	26,406.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 VALLEY HILLS DR NW  
CLEVELAND TN 37311-3528

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Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed

801 Broadway MDP 12  
Nashville TN 37203

CERTIFIED MAIL

BRANDON TANKERSLEY  
2435 VALLEY HILLS DR NW  
CLEVELAND TN 37311-3528

Date:

Taxpayer ID number:  
259-51-7291

Form:  
1040

Person to contact:  
G. Burgess

Contact telephone number:  
615-250-6006

Contact fax number:  
(615) 250-5796

Employee ID number:  
0342121

Last day to file petition with US tax court:

Tax Year Ended:	December 31, 2014
Deficiency:	
Increase in tax	\$26,406.00
Penalties or Additions to Tax	
IRC 6662	5,281.20

Dear BRANDON TANKERSLEY:

**Why we are sending you this letter**

We determined that you owe additional tax or other amounts, or both, for the tax year or years identified above. This letter is your **Notice Of Deficiency**, as required by law. The enclosed Form 4549-A, *Income Tax Discrepancy Adjustments* or Form 5278, *Statement - Income Tax Changes*, shows how we figured the deficiency.

**If you wish to challenge this determination**

If you want to challenge this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court to reconsider the deficiency.

**Information you will need**

If you have recently sought bankruptcy relief by filing a petition in bankruptcy court, see enclosed Notice 1421, *How Bankruptcy Affects Your Right to File a Petition in Tax Court in Response to a Notice of Deficiency*.

You can get a copy of the rules for filing a petition and a petition form by writing to the following address:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

- The Tax Court has a simplified procedure for small tax cases when the dispute for each tax year is \$50,000 or less.
- If you use this simplified procedure, you cannot challenge the Tax Court's decision. You can get information on the simplified procedure for small cases from the Tax Court by writing to the court at the address above or from the court's internet site at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).
- If you file a petition for multiple tax years and the dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you.

### **The law regarding married couples**

The law requires separate notices for husbands and wives. Both must sign and file the petition or each must file a separate, signed petition if this letter is addressed to both husband and wife, and both want to petition the Tax Court.

If only one spouse is in bankruptcy at the time this letter was issued or files a bankruptcy petition after the date of this letter, the bankruptcy automatic stay does not prohibit the spouse who is not in bankruptcy from filing a petition with Tax Court. The bankruptcy automatic stay of the spouse seeking bankruptcy relief does not extend the time for filing a petition in Tax Court for the spouse who is not in bankruptcy.

### **How to file your petition form**

Send the completed petition form, a copy of this letter, and copies of all statements and/or schedules you received with this letter to the Tax Court at the address above. If more than one tax year is shown above, you may file one petition form showing all of the years you are challenging.

You may represent yourself before the Tax Court, or you may be represented by anyone admitted to practice before the Tax Court.

### **The limits on filing a petition**

The time you have to file a petition in the Tax Court is set by law.

1. The petition is considered timely filed if the postmark date falls within the prescribed 90 or 150 day period and the envelope containing the petition is properly addressed with the correct postage.
2. The Tax Court cannot consider your case if your Tax Court petition is filed late. IRS cannot grant an extension or allow a suspension of the prescribed deadline, even for reasonable cause. Thus, contacting the Internal Revenue Service (IRS) for more information, or receiving other correspondence from the IRS won't change the allowable period for filing a petition with the Tax Court.

### **If you agree with the Notice of Deficiency**

If you decide not to file a petition with the Tax Court, please sign the enclosed Form 4089-B, *Notice of Deficiency - Waiver*, and return it to us at the IRS address on the top of the first page of this letter. This will permit us to assess the deficiency quickly and can help limit the accumulation of interest.

### **If we don't hear from you**

If you decide not to sign and return Form 4089-B, and you do not file a petition with the Tax Court within the time limit, the law requires us to assess and bill you for the deficiency after 90 days from the date of this letter (150 days if this letter is addressed to you outside the United States).

**Note:** If you are a C-corporation, Section 6621(c) of the Internal Revenue Code requires that we charge an interest rate two percent higher than the normal rate on corporate underpayments in excess of \$100,000.

**Information about the IRS Taxpayer Advocate Office**

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. You may be eligible for help from the Taxpayer Advocate Service (TAS) if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should. TAS is your voice at the IRS. TAS helps taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation (this includes businesses as well as individuals). You can reach TAS by calling the TAS toll-free number at 1-877-777-4778 or by contacting the local Taxpayer Advocate office at:

801 Broadway Stop 22  
Nashville, TN 37203

To learn more about TAS and your basic tax responsibilities, visit [www.TaxpayerAdvocate.irs.gov](http://www.TaxpayerAdvocate.irs.gov).

**How to contact us**

You may write or call the contact person whose name, telephone number, and IRS address are shown in the heading of this letter if you need further assistance. If you write, please include your telephone number, the best times if we need to call you and a copy of this letter to help us identify your account.

If you prefer to call and the telephone number is outside your local calling area, there may be a long distance charge to you.

Keep the original letter for your records.

Sincerely,

John A. Koskinen  
Commissioner

By   
Susan M. Lamastro

Territory Manager, Tech Services

Enclosures:  
Form 4549-A or Form 5278  
Form 4089-A or Form 4089-B

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

Accuracy-related Penalty IRC section 6662

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Form **4089-B**  
(October 1999)

Department of the Treasury — Internal Revenue Service

Symbols

### Notice of Deficiency-Waiver

SE:E:TS:NAC:G25:TV

Name and address of taxpayer(s)

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Social Security or Employer Identification Number

259-51-7291

Kind of tax

Income

Copy to authorized representative

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga, TN 37421-2163


#### DEFICIENCY — Increase in Tax and Penalties


Tax Year Ended:	December 31, 2014
Deficiency: Increase in tax	26,406.00
Penalties	
IRC 6662 20%	5,281.20

See the attached explanation for the above deficiencies


I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.


Your Signature  \_\_\_\_\_ (Date signed)

Spouse's Signature  
(If A Joint Return  
Was Filed)  \_\_\_\_\_ (Date signed)

Taxpayer's  
Representative  
Sign Here  \_\_\_\_\_ (Date signed)

Corporate Name  \_\_\_\_\_

Corporate Officers  
Sign Here  \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

 \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

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## Instructions for Form 4089 B

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### Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

### Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

### Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
  
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.



Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

IRC section 6662

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Name and Address of Taxpayer

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

Person with whom  
examination  
changes were  
discussed.

Name and Title:  
BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2014	Period End	Period End
a. Other Income	2,051.00		
b. Taxable Interest	12.00		
c. Sch C1 - Expenses for Business Use of Home	1,032.00		
d. Sch C1 - Contract labor	8,500.32		
e. Self-Employed Health Insurance	16,655.00		
f. Sch C1 - Other Expenses - Website Fees	4,200.00		
g. Sch C1 - Oth Expenses - Amortization	1,666.00		
h. Sch C1 - Advertising	34,775.00		
i. Sch C1 - Utilities	2,736.00		
j. NOL Carryforward	17,924.00		
k. SE AGI Adjustment	(3,738.00)		
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	<b>85,813.32</b>		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	<b>3,356.00</b>		
<b>4. Corrected Taxable Income</b>	<b>89,169.00</b>		
Tax Method	TAX TABLE		
Filing Status	Single		
<b>5. Tax</b>	<b>18,150.00</b>		
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	<b>18,150.00</b>		
<b>8. Less Credits</b>			
a. Child Care Credit	220.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	<b>17,930.00</b>		
<b>10. Plus Other Taxes</b>			
a. Shared responsibility payment (as reported)	143.00		
b. Self Employment Tax	15,387.00		
c. First-Time Homebuyer Credit Repayment	500.00		
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	<b>33,960.00</b>		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	<b>8,554.00</b>		
<b>13. Adjustments to:</b>			
a.			
b.			
c. Addnl Child Tax Credit	(1,000.00)		
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	<b>26,406.00</b>		
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	<b>26,406.00</b>		

Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2014	Period End	Period End
a. Accuracy-IRC 6662	5,281.20		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	5,281.20		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00		
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	26,406.00		
b. Penalties (Line 18) - computed to 07/20/2017	5,281.20		
c. Interest (IRC § 6601) - computed to 08/19/2017	2,783.41		
d. TMT Interest - computed to 08/19/2017 (on TMT underpayment)	0.00		
e. Amount due or refund - (sum of Lines a, b, c and d)	34,470.61		

Other Information:

Examiner's Signature: Name	Employee ID:	Office: Tech Svs. Nashville, TN	Date: 07/20/2017
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number <b>259-51-7291</b>	Year/Period Ended <b>2014</b>	

**Other Income**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$0.00	\$2,051.00	\$2,051.00

The amount of your debt which was cancelled or forgiven is includible in income. The source and the amount of cancelled income is shown below.

Form 1099-C - Capital One Bank USA NA - \$ 2,051.00

**Taxable Interest**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$0.00	\$12.00	\$12.00

All interest income is includible in income unless specifically exempted by law. The source and the amount of interest income is shown below.

Form 1099-Int. - US Bank Home Mortgage - \$ 12.00

**Sch C1 - Expenses for Business Use of Home**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$1,032.00	\$0.00	\$1,032.00

Form 1040 Schedule C1 expense for business use of the home has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Contract labor**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$8,929.00	\$428.68	\$8,500.32

Form 1040 Schedule C1 contract labor expense was adjusted to the amount verified during our examination.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number <b>259-51-7291</b>	Year/Period Ended <b>2014</b>	

**Self-Employed Health Insurance**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$16,655.00	\$0.00	\$16,655.00

Form 1040 self-employed health insurance expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Other Expenses - Website Fees**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$4,200.00	\$0.00	\$4,200.00

Form 1040 Schedule C1 other expense / website fees have been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Oth Expenses - Amortization**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$1,666.00	\$0.00	\$1,666.00

Form 1040 Schedule C1 other expense / amortization expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Advertising**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$34,775.00	\$0.00	\$34,775.00

Form 1040 Schedule C1 advertising expense has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Utilities**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$2,736.00	\$0.00	\$2,736.00

Form 1040 Schedule C1-utilities expense have been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2014	

**NOL Carryforward**

Tax Period	Per Return	Per Exam	Adjustment
2014	(\$17,924.00)	\$0.00	\$17,924.00

We have adjusted your net operating loss as shown in the accompanying computations. Since it was not verified that you were entitled to the net operating loss, it was disallowed.

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$3,956.00	\$7,694.00	(\$3,738.00)

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$7,911.00	\$15,387.00	\$7,476.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

Name of Taxpayer: BRANDON TANKERSLEY

07/20/2017

Identification Number: 259-51-7291

Total

18.20.00

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**2014 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	103,269.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	29,000.00
5. Multiply line 4 by .05	1,450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

07/20/2017  
18.20.00

201412 - FORM 2441 - CHILD AND DEPENDENT CARE EXPENSES

Credit for Child and Dependent Care Expenses

1. Qualified expense incurred and paid	1,100.00	0.00
2. Total of qualified expenditures, incurred and paid		1,100.00
3. Enter 3,000.00 ( 6,000.00 if two or more qualifying persons). If employer provided benefits received, enter amount from line 29		1,100.00
4. Earned income		101,206.00
5. Earned income of spouse if applicable; otherwise, enter amount from line 4		101,206.00
6. Smaller of line 2, 3, 4, or 5		1,100.00
7. Adjusted gross income		103,269.00
8. Percentage applicable to amount on line 7		20.00%
9. Multiply line 6 by line 8		220.00
10. Child and dependent care credit - tentative		220.00
11. Child and dependent care credit - limitation		18,150.00
12. Child and dependent care credit - allowed		220.00

Dependent Care Benefits

13. Employer provided dependent care benefits utilized in the current year		0.00
14. Qualified expenses incurred, regardless of when paid		1,100.00
15. Smaller of line 13 or 14		0.00
16. Earned income		101,206.00
17. Earned income of spouse if applicable; otherwise, enter amount from line 16		101,206.00
18. Smaller of lines 15, 16, or 17		0.00
19. Enter \$5,000 (or \$2,500 if married filing separately and not considered unmarried)		5,000.00
20. Amount from line 13 received from sole proprietorship or partnership; if Form 1040A, skip to line 23		0.00
21. Subtract line 20 from line 13		0.00
22. Deductible benefits. Smaller of line 18, 19, or 20		0.00
23. Excluded benefits. Subtract line 22 from the smaller of line 18 or 19; if line 20 is 0 or if Form 1040A, smaller of line 18 or 19		0.00
24. Taxable benefits. Subtract line 23 from line 21; if Form 1040A, subtract line 23 from line 13		0.00
25. Enter 3,000.00 (6,000.00 if two or more qualifying persons)		3,000.00
26. Add lines 22 and 23; if Form 1040A, enter amount from line 23		0.00
27. Subtract line 26 from line 25		3,000.00
28. If line 2 equals line 14, subtract lines 22 and 23 from line 2; otherwise, enter line 2 amount		1,100.00
29. Smaller of line 27 or 28		1,100.00



Name of Taxpayer: BRANDON TANKERSLEY 07/20/2017  
Identification Number: 259-51-7291 Total 18.20.00

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2014 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	108,900.32
2. Multiply line 1 by 92.35%	100,569.45
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	100,569.45
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	117,000.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,470.61
13. Multiply line 5 by 2.90%	2,916.51
14. Self-employment tax (sum of lines 12 and 13)	15,387.12

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Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	26,406.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	5,281.20
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	5,281.20

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	26,406.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Taxpayer: TANKERSLEY, BRANDON  
Tax Exam Tech Name: Burgess, Gina  
Primary TP SSN: 259-51-7291  
Tax Period: 201412 MFT 30

**90-DAY CASE STATUTE RE-COMPUTATION - Ref: IRM Exhibit 4.8.9-3 (07-09-2013)**

- DEFAULTED

Normal Statute Date: 4/15/2018  
Add 150 Days: +150 Days  
Extended Statute Date: 9/12/2018

- DEFAULTED - WITH FORM 872A (Quick Assessment)

Normal Statute Date:  
Add 150 Days:  
Extended Statute Date:

- AGREED - NO FORM 872A

**JULIAN DATES**

Date Agreement Rec'd:	<input type="text" value="1/0/1900"/>	00-36525	
Less date of 90-Day Ltr:	<input type="text" value="1/0/1900"/>	00-36525	
Equals Suspension Period:		0	<b>Invalid Negative Number</b>
Plus 60 Days:		60	
Original Statute Date:	<input type="text" value="1/0/1900"/>	00-36525	

**New Statute Date: 2/29/1900**

- AGEED - WITH FORM 872A (Quick Assessment)

Date Agreement Received:  
Plus 60 Days:  
Extended Statute Date:

INOLES259-51-7291 CURRENT IMF N/C TANK  
CURRENT IMF NAMELINE  
BRANDON TANKERSLEY  
848 GROVE CIR NW  
CLEVELAND TN 37311-1772 486  
TAXYR 2015 FSC 4

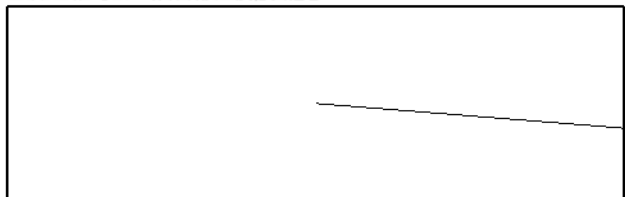
LOC CD 6225 LUC 20171601  
ADDRESS UPDATE CYC 20154905 ERP NP  
PRIOR IMF NAMELINES ITIN STATUS  
TAXYR 2010 FSC 1  
BRANDON TANKERSLEY

IMF N/C TANK BRAM  
SSA N/C BRAM TANK

(b)(3):26  
U.S.C. § 6103

UPDT [redacted] DOB 10031985 DOD 00000000  
SCRAMBLED SSN 00 MFR 05 FYM 12 DEBT IND I  
BOD CD SB BOD CLIENT CD 0 EITC IND 0

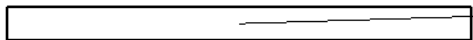
PRIM TXPR NAMLN  
BRANDON TANKERSLEY



(b)(3):26  
U.S.C. §  
6103

XREF/TRANS INFO  
CODE UCYC TIN

TIN ASGNMT  
00000000



(b)(3):26  
U.S.C. § 6103

AMDISA259-51-7291

ST- SER/RPT

JULIAN-DT>2017206 PRJ FRZ

MFT	TX-PRD	CD	PBC	NUMBER	EGC	NC/CD	SC	PICF	ASED	CRTN-DT	-CD	-CD
30	201212	13	202		1508	TANK	02		11/16/2018	20160708	0158	
30	201412	25	202		1508	TANK	10		04/15/2018	20161014	0158	
30	201512	13	202		1508	TANK	10		04/15/2019	20161014	0158	

NM-LN-YR>2015

PRIMARY-NAME>TANKERSLEY, BRANDON

CONTINUATION-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW

CITY>CLEVELAND

STATE>TN ZIP>373111772

IMFOLT259-51-7291 30201412P01 IMF TAX MODULE  
30211-507-28245-5  
BRANDON TANKERSLEY

NM CTRL:TANK WEEKLY  
SPSSN UP-CYC:3002  
TOT EXEMPTIONS:02 BFS :

FSC:1 STATUS:12 STATUS DATE:05252015 AIMS :0  
NEXT CSED:05-25-2025 ASSESSD BAL: .00 SETTLE DATE:05252015 LIEN :  
LAST CSED:05-25-2025 TOT INTERST: .00 INTEREST DATE:06052017 BWI :  
FIRST CSED:05-25-2025 INT ASSESSD: .00 DISASTER RDD : BWNC :0  
ASED:04-15-2018 INT PAID: .00 DISASTERSTART: CC81 :0  
RSED:04-15-2018 FTP TOTAL: .00 GOVERN SC:28 HIST LC:62 CC85 :0  
FREEZE: -L FTP ASSESSD: .00 MATH IN: TDA COPY: TC914:0  
INDICATORS: CAF :5  
EFT-IND:9 DDRC:00 PDC-CD:00 SBND1:00 SBND2:00 SBND3:00 MEFBI:0 ARDI :0  
SETTLE CYC:20151805 FEB15 RFND FRZ:0 LEVY-971-IND:00

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
150	05252015	8,411.00	20151805	30211-507-28245-5	RECEIVED-DATE: 04152015
610	04192015	7,564.00-	20151705	39270-116-23608-5	CDDDB36052015116001083154
766	04152015	1,000.00-	20151805	30211-507-28245-5	REF-NUM:336
971	05252015	.00	20151805	30277-507-28245-5	XREF35201412
		ACT-CD: 530			MEMO: 143.00
170	05252015	10.00	20151805	30211-507-28245-5	CSED:05252025
896	05252015	143.00	20151805	30211-145-28245-5	MFT:35
425	10122016	.00	20164105	17277-286-20000-6	SOURCE-CD:10 SPC:0158
		EGC:1508			PBC:202 SBC:23500

PAGE 001 OF 002 IMFPG 002 DS:R

STATUTORY NOTICE CHECKSHEET

T/P Name **TANKERSLEY, BRANDON**

SSN **259-51-7291 PERIODS 201412**

- Check ERCS to make sure cases is assigned to your ID#.
- Pull new INOLE if the one in case file is over 2 days old.  
Check the address and staple print to left side of the file.
- Taxpayer(s) Name and SSN Correct per return.  
Letter\_\_\_\_\_, Waiver\_\_\_\_\_, RAR\_\_\_\_\_
- Check correct address(s) and spelling.  
Letter\_\_\_\_\_, Waiver\_\_\_\_\_, RAR\_\_\_\_\_
- Correct tax year(s) and tax form  
Letter\_\_\_\_\_, Waiver\_\_\_\_\_, RAR\_\_\_\_\_
- Dollar Amount of Tax and /or Penalty.  
Letter\_\_\_\_\_, Waiver\_\_\_\_\_, RAR\_\_\_\_\_
- Phone number and contact person on letter.
- Correct Return Address listed on Letter 531.
- Letter Signed correctly.
- Stat. Notices for each known address in case file.
- POA authorized to receive per 2848/CFINQ, Name and letter Correct
- H/A If Letter 1384, copy to bankruptcy trustee
- Check case files for all required IDRS research.  
INOLES , IMFOLT , AMDISA , SPARQ \_\_\_\_\_
- Complete Re-Computation Sheet
- Activity sheet noted by Reviewer\_\_\_\_\_, yourself\_\_\_\_\_.

INOLES259-51-7291 CURRENT IMF N/C TANK  
CURRENT IMF NAMELINE  
BRANDON TANKERSLEY  
848 GROVE CIR NW  
CLEVELAND TN 37311-1772 486  
TAXYR 2015 FSC 4

LOC CD 6225 LUC 20171601  
ADDRESS UPDATE CYC 20154905 ERP NP  
PRIOR IMF NAMELINES ITIN STATUS  
TAXYR 2010 FSC 1  
BRANDON TANKERSLEY

(b)(3):26  
U.S.C. §  
6103

IMF N/C TANK BRAM  
SSA N/C BRAM TANK

(b)(3):26  
U.S.C. §  
6103

UPDT [REDACTED] DOB 10031985 DOD 00000000  
SCRAMBLED SSN 00 MFR 05 FYM 12 DEBT IND I  
BOD CD SB BOD CLIENT CD O EITC IND 0

PRIM TXPR NAMLN  
BRANDON TANKERSLEY

XREF/TRANS INFO  
CODE UCYC TIN

TIN ASGNMT  
00000000

[REDACTED]

(b)(3):26  
U.S.C. § 6103



IMFOLI259-51-7291 P01

IMF INDEX

NM CTRL:TANK

WEEKLY

UP-CYC:2904

BRANDON TANKERSLEY

ENTITY MF ACTIVE:2805 FREEZE CODES: - AUDIT HISTORY: YES VESTIGIAL: YES

TOTAL ASSESSED BAL: 14,646.91 (TOTAL OF ACTIVE TAX MODS ASSESSED BALS)

MFT	TXPD	FSC	ACT	TIF	TOTAL MOD BALANCE	COMP	DTE	CODES	INTEREST FREEZE	POSTED	STAT
										RETURN	ADJ HIS

30	201112	1	2805	YES	8,940.64	20170731	T	-		ELF	YES 24
30	201212	1	2805	YES	5,188.61	20170731	T	-L		POSTED	NO 24
30	201312	1	2805	YES	687.28	20170731	T	-		MEF	NO 24
30	201412	1	2405	YES	.00	20170605	T	-		MEF	NO 12
30	201512	4	2405	YES	.00	20170605	T	-L		MEF	NO 12
30	201612		2405	NO	.00	20170605	T	-		NONE	NO 04

(b)(3):26  
U.S.C. §  
6103

(b)(3):26  
U.S.C. §  
6103

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK  
30211-507-28245-5<DLN BOD-CD>SB CLIENT-CD>O  
ENT-CTRL  
MF-XTRCT-CYC>20172805 SC-REASON-CD>33  
SC-STS>12 MOD-BAL> 0.00 CYC>201641  
MF-STS>12 MOD-BAL> 0.00 CYC>20151805 TODAYS-DT>07/20/2017  
PRIMARY-LOC>6225

-----  
ASED>04152018 PRZ> -fr | AIMS-CD>1 CL-ASGMT>25007000 PDC-IND>00  
CSED>05252025 INTL> | CAF>5  
RSED>04152018 | NAICS-CD>484110

-----  
EFT>9  
DESG-CKBX>1 DPIN>11291

CS-CTRL-INFO>NO CASE CONTROLS

-----POSTED RETURN INFORMATION-----

RPT-RCVD-DT>04152018 TX/TPR> 8,411.00  
FS>1 NUM-EXEMPT>02 PTIN>11291  
AGI> 17,456.00 EST-TX-BASE> 7,411.00  
TXI> 3,356.00 PRIM-SE-INCM> 51,707  
SET> 7,911

FTHBCR-RCAP> 500.00 CKBOX>1  
TX-SHOWN-RTN-AMT> 7,411.00 TAX-ASSESSED-AMT> 7,411.00  
PMEI> 51,707  
Employee #2569620405 Page 001 of 003 PAGE 002

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK

-----RETURN TRANSACTION-----

T/C	POSTED	TRANS-AMOUNT	CYC	T	DLN
150	05252015	8,411.00	20151805	D	30211-507-28245-5

-----POSTED TRANSACTIONS SECTION-----

T/C	POSTED	TRANS-AMOUNT	CYC-DAY	T	DLN
610	04192015	7,564.00-	20151705		39270-116-23608-5
TRACE-ID>36052015116001083154					
766	04152015	1,000.00-	20151805		30211-507-28245-5 CR-ID-NUM>336
971	05252015	0.00	20151805		30277-507-28245-5 971-CD>530
XREF-MFT>35 XREF-TX-PRD>201412					
MEMO-MONEY-AMT> 143.00					
170	05252015	10.00	20151805		30211-507-28245-5
CSED>20250525					
896	05252015	143.00	20151805		30211-145-28245-5
XREF-MFT>35 XREF-TX-PRD>000000					
424R	10122016	0.00	20164105		17277-286-20000-6 SOURCE-CD>10
SPCL-PROJ>0158					
PBC>202 SBC>23500 EGC>1508					
420	10142016	0.00	20164205		17277-288-00000-6
PBC>202 SBC>23500 EGC>1508					
960	05112017	0.00	20172005		64277-531-04990-7 MF-CAF-CD>5

Employee #2569620405 Page 002 of 003 PAGE 003

8411  
 143 - TC 896  
 -----  
 8554 total tax

TXMODA259-51-7291 MFT>30 TX-PRD>201412 PLN-NUM> NM-CTRL>TANK

-----SERVICE CENTER HISTORY SECTION-----

SC-STS	DATE	STATUS-AMOUNT	CYC
12	10312016	0.00	201641

-----MASTER FILE HISTORY SECTION-----

MF-STS	DATE	STATUS-AMOUNT	CYC	CCNIP-SELECT-CD
12	05252015	0.00	20151805	

AMDISA259-51-7291 MFT>30 TX-PRD>201412  
PRIMARY-NAME>TANKERSLEY, BRANDON  
ASED>04/15/2018  
SOURCE-CD>10 MULTI-YEAR: DIF RELATED

NM-CTRL>TANK  
JULIAN-DT>2017201  
OPNG-CRTN-DT>10/14/2016  
EXAM-START-CD/DT>317 10/12/2016

DIF-SCORE> [REDACTED] (b)(3)26 U.S.C.  
ACTY-CD>276 § 6103; (b)(7)(E)

DIF/DAS-RSN-CD>R

DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0  
PBC>202 SBC>23500 POD>362  
EGC/DT>1508 10/12/2016  
CURRENT-STATUS-CD/DATE  
25 PRE 90-DAY  
PROJ-CD>0158

PRIOR-EGC/DT>0000 00/00/0000  
PRIOR-STATUS-CD/DATE  
07/13/2017 21 IN-TRANSIT-TO-TECH-SERV 07/11/2017  
PICF-CD>

RET-RECVD-DT>04/15/2015  
CAF-IND>5

XREF-DLN>17277286200006  
RET-PSTNG-YR>2015 UPDT-CD>E PR-UPDT-CD>E  
TC424-CD>2

NM-LN-YR>2010 MF-NAME-LINE>BRANDON TANKERSLEY  
ADD-CHG-CYC>201549 CONT-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW  
CITY>CLEVELAND STATE>TN ZIP>373111772  
SC>17 CSC

Employee #2569620405 Page 001 of 004 PAGE -002

AMDISA259-51-7291

MFT	TX-PRD	CD	PBC	SER/RPT NUMBER	EGC	NC/CD	SC	PICF	ASED	JULIAN-DT>2017201	CRTN-DT	-CD	FRZ
30	201212	13	202		1508	TANK	02		11/16/2018	20160708	0158		
30	201412	25	202		1508	TANK	10		04/15/2018	20161014	0158		
30	201512	13	202		1508	TANK	10		04/15/2019	20161014	0158		

NM-LN-YR>2015

PRIMARY-NAME>TANKERSLEY, BRANDON

CONTINUATION-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW

CITY>CLEVELAND

STATE>TN ZIP>373111772

CFINK 259-51-7291  
NAME: BRANDON TANKERSLEY  
N/C: TANK

MF	TAXPRD	PLN	RN/C	REP-NUMBER	SIGNDATE	SDLN	FORM	LV	RCTS	AUTHS
30	201112	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201212	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201312	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201512	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201612	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
35	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U

CFINK 6505-21220R

NAME: JOE P HONEY JR

NAME CONTROL: HONE

FIRST: JOE

PTIN: P00747663

MIDDLE: P

LAST: HONEY

SUFFIX: JR

2ND NAME:

STREET: 4295 CROMWELL RD STE 305

PHONE & FAX -----

CITY: CHATTANOOGA

423-553-7220

STATE: TN ZIP: 37421-2163-803

423-553-7655

COUNTRY: US-USA

CAF STATUS: GOOD STANDING

AUTH LEVELS ON CAF: B

SDLN: 24-1712-49-063-35

SIGN DATE: 03-06-2017 FORM NUM: 2848

COMMENTS:



<p>BRANDON C TANKERSLEY BRANDON CHRISTOPHER TANKERSLEY BRANDON CHRISTOPHE TANKERSLEY BRANDON T TANKERSLEY BRANDON TANKERSLEY BRANDON CHRISTOPHER TANKERSL BRANDON TANKERSLAY DOB: 10/3/1985 Age: 31 DOB: 10/1/1985 Age: 31</p>	<p>258-51-7291 V DL: 096937873 DL State: TN Issue Date: Oct 02 Exp Date: Oct 20</p>	<p>2435 VALLEY HILLS DR NW CLEVELAND TN 37311-3528 Nov 2015 - Jul 2017</p>	<p>We Also Found: <input type="checkbox"/> Phones Plus <input type="checkbox"/> Property Records</p>
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# Examination Workpapers Index Reference Tabs



Department of the Treasury  
Internal Revenue Service

[publish.no.irs.gov](http://publish.no.irs.gov)

Document 12278 (Rev. 3-2007)  
Catalog Number 39835Z

20/2

TABLE  
XXX-XX-1291  
30201412

<b>Examination Workpapers Index</b>	Examiner	Grade	Total time charged to case
	MARY K HUDDLESTON	12	36

Taxpayer name and address (city, state, ZIP code) TANKERSLEY, BRANDON 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer's TIN  259-51-7291
--	-----------------------------------

POA contact information (name, street address, city, state, ZIP code)	Tax return form number  1040	Tax Period(s)  201412
---	------------------------------------	-----------------------------

Business telephone number (including area code)	FAX number (including area code)
---	----------------------------------

Reference	Description
<b>Administrative / Planning</b>	100 Activity Record
	110 Audit Plan
	115 Group Manager Concurrence Meeting (Optional for Grade 13 and above)
	120 Initial Taxpayer Contact
	125 Initial Interview
	130 Multi-Year and Related Returns
<b>Evaluate</b>	200 Internal Controls
	205 Fraud Development (if applicable)
<b>Penalties</b>	300 Civil Penalty Approval Form

Reference	Description	Adjustments			
		TY	201412	TY	TY
<b>Classified Issues</b>	400 Income Probe (mandatory)				
	401 Sch C1 - Gross Receipts or Sales		\$0.00		
	402 Sch C1 - Car and Truck Expenses		\$0.00		
	404 Sch C1 - Utilities		\$2,736.00		
	406 Sch C1 - Oth Expenses - Amortization		\$1,666.00		

**Examination Workpapers Index - Continued**

Reference	Description	Adjustments				
		TY	201412	TY	TY	
	501	Sch C1 - Advertising		\$34,775.00		
	502	Sch C1 - Other Expenses - Website Fees		\$4,200.00		
	503	Self-Employed Health Insurance		\$16,655.00		
	504	Sch C1 - Contract labor		\$8,500.32		
	505	Sch C1 - Expenses for Business Use of Home		\$1,032.00		
Additional Issues	507	Taxable Interest		\$12.00		
	508	Other Income		\$2,051.00		
	510	NOL Carryforward		\$17,924.00		
	511	Accuracy Related Penalty - 6662		\$5,281.20		
	599	Statutory-Child Care Credit		\$118.00		
	599	Statutory-Additional Child Tax Credit		\$1,000.00		
	599	Statutory-SE Tax		\$7,476.00		
	599	Statutory-SE AGI Adjustment		(\$3,738.00)		
Miscellaneous	605	Correspondence				
	610	Information Document Requests				
	650	Case Building				

**Case Status Checksheet**

SSN/EIN: <b>259-51-7221</b>			Taxpayer Name: <b>TANKERS, BRANDON</b>		
ERCS Transfer Date	Date Received In Group	Date Forwarded to Group Manager	POD Code and City Name: <b>362 /CLEVELAND, TN37311-1772</b>		
	<b>07/15/16</b>	<b>07/18/16</b>	Type of Examination: (i.e., ATAT, HINF, Preparer Project, etc.)		
			<b>ORDER 154593</b>		

Name of RA case Assigned	Date Case Assigned	Reassigned to	Date Reassigned
<i>Mary H.</i>	<i>7-22-16</i>		

Tax Period	MFT	Activity Code	Status Code	Source Code	Project Code	Tracking Code	NAICS Code	26/27 Month Complet Date EXAM Cycle Ends
201212	30	276	10	02	0158		484110	05/2017

\*Confirmed NAICS Code: \_\_\_\_\_ Change NAICS Code to: \_\_\_\_\_ Forwarded to Group Secty: \_\_\_\_\_  
**PROJECT CODE \*\*0158 = DIF-ADDS (Alternative DIF Delivery System)**

Tax Period	Verified Statute to Be	If Flow-Thru Entity Earliest 1040 Statute	If Claim Verified Statute to Be	Date Original Return Filed	Date Claim Filed	Date Tax Paid
201212	11/16/2018					

\*NOTE: When you have a PJC 0457 do not update other case you secure, with this same PJC.  
 IMFOLT/BMFOLT for Year of exam, CEAS (prior exam), YK1 (related FTE), Copy of return for GM

*C-Cor & TRK / Other* *DASH 7*

Source Code of Primary Return	Same TIN and Same MFT, Filed Return, Different Year	Same TIN and Same MFT, Non-Filer Year	Different TIN or Different MFT Filed Return	Different TIN or Different MFT Non-Filed Year	Non-Filer Project Codes
01	40	44	50	44	149 Non-Filer/Referral for Fraud
02	10	12	05	12	154 Non-Filer/ Substitute for Return
17	40	44	39	39	277 Selection Code 38 CORR
20 with PC 0158 or 0204	10	12	05	12	433 HINF with Fraud Indications
20 with all other PCs	40	44	50	44	434 Risk Base Model
24	40	44	50	44	435 Field Information Reports
25	40	44	50	44	436 K-1 Matching
30	40	44	50	44	437 High Dollar Non-Filers
32	40	44	50	44	438 High Dollar Secured Delinquent Returns
49	40	44	50	44	
60	40	44	50	44	
62	40	44	50	44	
70	40	44	50	44	
73	40	44	50	44	
80	91	91	91	91	

*NOT ON RBS*

<b>Examining Officer's Activity Record</b>		Examining Officer Huddleston, Mary K	Date assigned/Opened 7/22/16 – 8/5/16
Taxpayer name and address (Use the preprinted label if possible)  TANKERSLEY, BRANDON  2435 Valley Hills Dr NW CLEVELAND, TN 37311-3528  Business name and address    Residence telephone number ( ) Business telephone number ( ) Fax telephone number ( )		Taxpayer's Representative name and address  Joe Honey Jr  4295 Cromwell Rd Ste 305 Chattanooga, TN 37421-2163  Representative has ("x proper box) <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Taxpayer Authorization  Representative's telephone number (423) 553-7220 Fax telephone number (423) 553-4435	

### Contacts and Activities

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
8/5/16	O	4	1-2012	<p>Began preplan of case. <span style="float: right;">(b)(3):26 U.S.C. § 6103</span></p> <p>ASED is 11/16/18 on 2012 primary year. <span style="border: 1px solid black; display: inline-block; width: 200px; height: 15px;"></span></p> <p>He owes taxes on 11, 12, and 13. He received refunds in 14 and 15 which were applied to back taxes.</p> <p>Search of the internet revealed TP's moving business, Southeast Moving Service/Cleveland Moving. He has IRP documents in both names.</p> <p>Accurant search showed TP has not lived at the INOLES address since 2010. He also owns property at 318 Farmway Dr., SE, Cleveland, but there is no rental income on the return. He currently lives and the business address is 2435 Valley Hills Dr., NW, Cleveland, TN. Will add address to RGS and mail L2205 to both addresses. TP has POA, Joe Honey valid for 2011, 2012, 2013. Added to RGS.</p> <p>Ran variance, no variances.</p> <p>TP has 2014 Sierra Crew Pick-up and a 2013 Mercedes C250, too expensive for his taxable income and EIC for 2015.</p> <p>TP re-paid FTHBC in 2013, need to research other years.</p> <p>Will complete preplan on Monday 8/8.</p>
8/8/16	O	3, 4	3-2012	<p>Completed preplan.</p> <p>TP has paid back FTHBC of \$3000, however he is not living in the FTHBC home. Classified issue.</p> <p>TP is also using his home as a business address and included utilities on the</p>

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC – Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

**Workpaper#: 100-1.1**

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
				<p>return. Classified utilities.</p> <p>Completed comparison of years filed. There appears to be similar issues in all years available. ASER is pending on 2013 of 10/15/17, however there is potential for pick-up of 14 and 15, especially with EITC on 2015.</p> <p>Researched addresses for TP. He sold the Farmway Dr address on 10/19/15 for \$180,000, and he also sold a 2 acre lot he owned on Mowery Rd for \$11,000 in 2016.</p> <p>Completed cash T using 2013 BLS, TP DOES NOT have sufficient income on the return to support living expenses.</p> <p>Added current address on Valley Hills to RGS. Generated and mailed L2205A to that address and copy to POA, included Pub 1 and Notice 609.</p> <p>Calendared deadline to respond 8/22/16.</p>
8/19/16	O	2	2-2012	<p>Received phone call from Joe Honey, POA. 423-553-7221. He has physically moved to 4295 Cromwell Rd., Suite 305, Chattanooga, TN 37421</p> <p>Discussed TP, he is a moving company without strength in paperwork. His books are all manual. He came into POA's office and caught up several years, then disappeared off the radar. He came back in and got current and then filled in back unfiled years. POA has TP gathering information already. He has bank statements.</p> <p>Scheduled appointment for 9/28/16 at 9:00 due to RA's scheduled firm appointments and 2 weeks annual leave; and POA out of town for a week in September.</p> <p>Generated IDR and mailed to TP and POA. Included Pub 1 and Notice 609 along with Letter 3253.</p>
9/28/16	T	1	9-2012	<p>Field call to POA's office. TP was not available. Met with preparer of return. It was her first return she had ever prepared. They had most items requested from the IDR, interviewed preparer-she did not have first-hand knowledge of the business. Began review of documents and income probe.</p> <p>Based on review of documents so far, determined to pickup all open years. Advised POA and scheduled subsequent appointment for 11/16/16 at 9:00. Advised that I needed to interview TP in person and he needs to be at the appointment. They agreed.</p> <p>Secured court house records online of Valley Hills Dr address, TP does not own the property.</p> <p>Drove to TP's address of 2435 Valley Hills Dr. NW. It is in a residential area and there is no sign of a business at all. The Mercedes was parked in the yard. Also drove to Farmway View Dr address, it is also in a residential only subdivision.</p>
9/29/16	O	4	1-2012	Printed documents completed on 9/28 at field call. Included in case file.
10/6/16	O	3, 4	4-2012	<p>Researched and printed IDRS items.</p> <p>Completed Form 5345-D to pickup 2014 and 2015.</p>

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC - Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

Workpaper#: 100-1.2

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
				Generated IDR #2 and letter 3573 scheduling the next appointment for November 16, 2016, at 9:00 and advising TP that the subsequent years had been picked up for exam, and that an interview was required.  Mailed copies to TP and POA with enclosures.  Completed GMCM and emailed to GM. MCD set for 2/28/17.
10/20/16	O	4	1-2014	Organized information in case file. Saved signed GMCM.
11/16/16	O	2	1-2014	Received call from POA at 8:05. He needs to reschedule appointment. Rescheduled to 12/5/16.
12/5/16	T	1	5-2015	Field call to POA's office. TP still did not show. They have miscellaneous records the POA's staff is trying to organize.  Continued review of records and income probe.
12/7/16	T	1	6-2014 3-2015	Field call to POA's office. Continued with review of records and income probe.  There is still various information missing. Generated IDR #3 and scheduled subsequent appointment for January 9, 2017, at 9:00. Included verbiage in IDR that information as requested on October 6. Provided copy to POA and mailed copy to TP. Included information that SE Health Insurance documentation is requested and Advertising Expense, and information about Amortization.  Discussed FTHBC with POA. He was not aware that TP had moved.  Discussed summoning records with POA. He advised that he had a good working relationship with TP and summons would not be required. Lectured POA of the importance of the records and they were required. He understood.
1/6/17	O	2	0	Received call from Joe Honey, POA, he needs to reschedule appointment. Agreed to 1/30/17 at 9:00.
1/26/17	O	4	1-2014	Reviewed case file, called POA, left message reminding of appointment on Monday at 9:00.
1/30/17	T	1	4-2014 5-2015	Field call to POA's office.  POA has lost contact with TP. TP has not responded to phone calls or emails from POA.  Advised POA that adjustments would be made based on information available. He agreed.
2/27/17	O	4	1-2012	Met with GM for 4502 review. Discussed case. MCD is tomorrow. Reworked calendar for GM priorities on closing cases. Next scheduled follow-up date to issue RAR is 3/23 to 3/27.
3/23/17	O	4	4-2014 5-2015	Finalizing case file for issuance of 30 day letter.  Determined to add additional issues for items left off compared to IRP, Interest, and COD Income, and Royalties.  Completing income probe and update of mandatory workpapers.

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC – Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

**Workpaper#: 100-1.3**



Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
3/29/17	O	4	4-2014 4-2015	<p>Finalized income. Finalize all the issues.</p> <p>Prepared case file for issuance of 30 day RAR.</p> <p>Reviewed penalties and fraud, determined to discuss with GM. Sent invitation for discussion for Monday April 3, 2017, due to conflicting schedules.</p>
4/3/17	O	4	1-2012 1-2014	<p>Discussed case with GM. Agreed with assessment to discuss with FTA.</p> <p>Further, she suggested RA add back the issue for NOL from 2013. Need to generate and mail IDR requesting NOL documentation.</p> <p>Left message for FTA, awaiting call back.</p> <p>Generated IDR #4, mailed to TP, with copy mailed to POA with Letter 937. Deadline to respond is April 13.</p> <p>FTA will schedule appointment for 10, 11, or 12 April, depending on commitment from LB&amp;I GM. He will let us know.</p>
4/5/17	O	4	0	<p>Scheduled appointment with FTA for 4/12/17.</p>
4/12/17	O	4	1-2012 1-2014	<p>Met with FTA. GM on sick leave, acting GM out of the office.</p> <p>Discussed case at length.</p> <p>We discussed TP's delinquent filing patters, LUQ items, and potential fraud development.</p> <p>FTA recommended FFTF penalty would not be warranted given TP's pattern of file, not file, file, not file. And due to the fact all delinquent returns were filed prior to any IRS contact.</p> <p>FTA recommended that further interviews with the preparer and initial interview with TP including possible summons to appear be undertaken before pursuit of actual fraud development.</p> <p>RA and GM to follow-up with FTA if warranted.</p> <p>Sent email to GM and acting GM giving details and asking for further guidance.</p> <p>IDR is due tomorrow for NOL documentation.</p> <p>Received email from GM:</p> <p><b>From:</b> Harden Pamala T  <b>Sent:</b> Wednesday, April 12, 2017 10:30 PM  <b>To:</b> Huddleston Mary K; Edney Erin L  <b>Subject:</b> RE: FTA Meeting</p>

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC -- Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

**Workpaper#: 100-1.4**

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
				Why don't you issue a flush out RAR, and the cover letter being a type of firm appointment letter, scheduling an appointment at the POD?
4/13/17	O	4	1-2012 1-2014 1-2015	Generated Flush out letter.  Attempting to print RAR for mailing to TP. Excessive printer problems. Printer will only print one page and then crashes. Rebooted multiple times. And reset printer. Called help desk for assistance. Will be receiving a new printer. Unable to ever print RAR and workpapers.  RA received call of family member in hospital emergency room. Left at lunch.
4/13/17 to 4/24/17	O	4	0	RA on family sick leave.
4/25/17	O	3, 4	1-2014 2-2015	Ran new tax comp for today's date. Generated RAR, included statement on RAR: "This report is based on preliminary information. If you do not respond to this report or make other arrangements, we will have to proceed on the basis of available information including considering any and all applicable penalties."  Updated leadsheets with today's date and printed for attaching to RAR.  Ran RAR for POA with only 2012 since POA is only valid for that year. Printed copies of leadsheets with only 2012.  Updated and printed Flush Out letter.  Mailed RAR to TP at Valley Hills Dr. address and also copy to tax return address at 828 Grove Circle Ave, Cleveland, TN. Included Pub 3498. Mailed only 2012 information to POA along with letter.  Deadline to respond is May 5, 2017. Calendared May 8 to send out 30 day RAR.
4/27/17	O	2	0	Received VM from POA, TP has contacted him. Wanted to know if RA had sent copy of RAR to him.
4/27/17-4/28/17	O	4	0	RA on leave.
5/1/17	O	2	0	Returned call to POA, advised RAR for 2012 was sent to him, however, his current POA did not cover later years. He will update and send to me.
5/2/17	O	2, 3	0	Received updated Form 2848 via fax. POA covers additional years.  Called POA, advised it had been received. Discussed future. He will review RAR and schedule additional appointments with me. Agreed.  RA has two pending statutes and full calendar for next two weeks, through 5/22. Will only be able to schedule after those dates. Calendared tentative schedule for 5/22.
5/3/17	O	2, 3, 4	2-2012	Generated copies of RAR and leadsheets to pdfs. Called POA, advised RA would upload RAR and leadsheets to his portal.  Generated L937 for POA for all years.

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC - Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

Workpaper#: 100-1.5

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
				<p>Uploaded L937, RAR, TP's letter, and supporting workpapers to POA portal.</p> <p>Emailed updated Form 2848 to CAF unit.</p> <p>Need to have POA update whatever is possible, issue 30 day RAR.</p>
5/17/17	O	2	0	Called POA, left message asking for return call.
5/18/17	O	2	0	Called POA, left message asking for return call.
5/22/17	O	2	1-2014	<p>Called POA, discussed case. POA has been under a deadline for couple projects and has not had the opportunity to review RAR. Advised of upcoming annual leave and requested POA and RA set calendar date to review. POA agreed, and stated over next couple days POA would review and prepare rebuttal to RAR. Then he will call me for scheduled appointment.</p> <p>Moved appointment scheduled for tomorrow to next week.</p> <p>POA is having knee replacement surgery on June 13, 2017.</p>
6/9/17-6/19/17	O	4	0	RA on annual/sick leave.
6/22/17	O	3, 4	3-2012 3-2014 3-2015	<p>Have not heard back from POA.</p> <p>Checked Accurant for any new activity. There is none. Still showing same address on Valley Hills Dr, NW, Cleveland.</p> <p>Checked for valid extension on 2016. He has filed one.</p> <p>Updated mandatory and issue workpapers to current dates.</p> <p>Ran tax comp, charging applicable penalties. Submitted penalty to GM for approval.</p> <p>Prepared 30 day letter processing sheet.</p> <p>There is only 297 days left on the statute for 2014. Discussed with GM, soliciting statute.</p> <p>Prepared consent on Form 872, letter 907, and letter 937 for POA. Also Form 10949 checklist. Mailed separately to POA and TP asking for statute extension. Included return envelope and Pub 1035.</p> <p>Generated separate RAR for 2014 and another separate RAR for 2012 and 2015.</p> <p>Completed 30 packages for TP and POA dated tomorrow 6/23/17 for 2012 and 2015, will give to GM for processing tomorrow. Included RAR, leadsheets, Pub 3498, return envelope, and included "How to Pay your Taxes."</p> <p>Completed separate package for 2014.</p>
6/23/17	O	3, 4	1-2012 1-2014 1-2015	<p>Made copies of packages and gave 2012 and 2015 to GM for 30 day letter issuance. Also included 5348 to update status.</p> <p>Discussed with GM, and determined to make both the consent date and due date of 2014 response to letter 5153 the same day.</p>

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC - Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

**Workpaper#: 100-1.6**

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
				Sent out letter 5153 and RAR for 2014, with L937 for POA, Pub 3498, return envelope, and "How to Pay your Taxes". Calendared due date of July 5 to close case for stat notice if statute not extended.
6-23-2017			GM	Pam Harden, GM reviewed case & 30 day ltr package. No response from TP/POA. GM approved 30 day ltr package & forwarded for mailing. Case held for expiration of 30 days, until 7-24-2017.
7/5/17	O	4	1-2014	No response from TP. Have firm apt set for related case for Monday, 7/10/17, will wait to see if TP shows up on related case.
7/10/17	O	2, 4	6-2014	TP did not show on related case. Researched closing case year separately. Made courtesy call to POA's office to determine if POA has heard from TP. No answer at any number at POA's office. Made copies of items for duplicate case file. Printed items applicable to 2014 only. Created separate case file for 2014 only. The Shared Responsibility Payment on 2014 is \$143. Which is wrong considering RA disallowed the Self Employed Health Insurance of \$16,655. However, due to the tax bill already created on 2014 of \$34,368.77, and the unresponsiveness of the TP, RA did not pursue the increase in Health Responsibility payment. Closed only 2014 disposal code "08". Gave 2014 case file to GM for processing. Will close 2012 and 2015 separately sometime after July 24 at the end of the 30 day period or otherwise if response is received from TP.
7/11/17			GM	Pam Harden, GM reviewed case. The TP did not respond to L5153 & consent for 2014 year that RA issued on 6-23-17. Therefore, year of 2014 is being closed separately, or issuance of stat notice (SOL=4-15-2018). Forwarded to GS for completion of F3210 & ERCS entry for closure & mailing to Tech Services Status 21-Unagreed for Stat Notice.
7/11/17				GS Close STATUS 21 0008 5ND" <i>GM</i>

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC - Location of Activity T = Taxpayer Residence/ Business R = Representative Office O = Other (explain in remarks)

Workpaper#: 100-1.7

**Taxpayer Name:** TAN...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201412

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17,  
7/10/17

<b>REVENUE AGENT AUDIT PLAN</b>	
Document the facts, procedures and audit techniques used, management involvement, applicable law, and conclusions reached on the appropriate lead sheet or workpaper	
<b>Statute of Limitations</b>	<b>W/P REF</b>
Determine statute of limitations (IRM <u>4.10.2.2.1</u> ). Earliest SOL: <u>4/15/18</u>	
Solicit and process statute extension, if applicable (IRM <u>25.6.22</u> )	X
<ul style="list-style-type: none"> <li>• Complete Form 10949, <i>Statute Extension Check Sheet</i> (Optional)</li> </ul>	N/A
<b>Statute of Limitations Comments:</b>	
The 2014 year has a short statute. Solicited consent on 6/23/17. No response. Closed 2014 separately.	
<b>Pre-Contact</b>	<b>W/P REF</b>
Conduct an in-depth pre-contact analysis (IRM <u>4.10.2.3</u> ) to include:	
<ul style="list-style-type: none"> <li>• Review classification sheet</li> </ul>	X
<ul style="list-style-type: none"> <li>• Review the tax return and identify LUQ items</li> </ul>	X
<ul style="list-style-type: none"> <li>• Review Form 5546, <i>Examination Return Charge-Out Sheet</i> (if available) or AMDISA</li> </ul>	X
<ul style="list-style-type: none"> <li>• Review internal and external data (e.g., IRPTR, CFOL, IDRS, CDE, CBRS, PMFOL, asset locator, etc.) <ul style="list-style-type: none"> <li>○ Reconcile IRP information to tax return (IRM <u>4.10.4.3.2</u> and <u>4.10.4.3.3(5)</u>)</li> </ul> </li> </ul>	X
<ul style="list-style-type: none"> <li>• Consider collectibility in setting scope (IRM <u>4.10.2.4.1</u>, <u>4.20.1</u> and <u>4.20.2</u>)</li> </ul>	400-3
Review prior/subsequent and related return <u>internal sources of information</u> for potential LUQs (IRM <u>4.10.2.3.3</u> and <u>4.10.5</u> )	130-2
Determine if return should be surveyed (IRM <u>4.10.2.5</u> ) – If surveyed:	
<ul style="list-style-type: none"> <li>• Stamp return or electronic print (IRM <u>4.10.2.5.3</u>)</li> <li>• Prepare Form 1900, if necessary (IRM <u>4.10.2.5.4</u>)</li> <li>• Claims - IRM <u>4.10.2.5.5</u></li> </ul>	N/A
Establish RGS case	
<ul style="list-style-type: none"> <li>• Input case information (IRM <u>4.10.15.2</u>)</li> <li>• Reconcile return setup to TXMODA (IRM <u>4.10.15.2.4</u>) <ul style="list-style-type: none"> <li>○ Generate variance analysis and resolve if needed (IRM <u>4.10.15.2.6</u>)</li> </ul> </li> </ul>	X
Complete preliminary T-account analysis (IRM <u>4.10.4.3.2</u> , <u>4.10.4.3.3.1</u> , and <u>4.10.4.3.6</u> )	400-2
Determine the scope/depth of the examination (IRM <u>4.10.2.7.1</u> and <u>4.10.2.7.3</u> )	X
<ul style="list-style-type: none"> <li>• Revise scope to "vital few" (IRM <u>4.10.2.7.1.1</u>)</li> <li>• If warranted, perform preliminary research of the business/industry, e.g., <u>Audit Technique Guides</u> (ATG), IRS industry/issue experts, etc.</li> </ul>	X
Input/create issues (IRM <u>4.10.15.2.9</u> )	
Prepare interview questions that are tailored to the taxpayer	125-2
Determine and process power of attorney (POA) (IRM <u>4.11.55</u> and <u>4.11.55.1.8.2</u> )	
<ul style="list-style-type: none"> <li>• If TC 960 on module, secure CFINK, enter POA information into RGS, make initial contact and schedule the initial appointment with the POA (IRM <u>4.11.55.5</u> and <u>4.10.2.8</u>)</li> <li>• If POA form secured, enter required information on POA and date stamp</li> <li>• Check status of POA and validity of license (attorney, CPA, EA), if necessary (IRM <u>4.11.55.1.2.2</u>)</li> <li>• Fax POA to CAF unit within 5 days</li> <li>• Attach copy of POA or CFINK to return</li> </ul>	Form 9984

**Taxpayer Name:** TAN...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17,  
 7/10/17

**Tax Year (s):** 201412

Pre-Contact (cont'd)	W/P REF
Consider specialist referrals – specialists are available to provide assistance with developing and resolving significant complex tax issues (IRM 4.10.2.7.5) <ul style="list-style-type: none"> <li>• Consider <u>mandatory referral criteria</u></li> <li>• Specialist Referral System link: <a href="https://srs.web.irs.gov/">https://srs.web.irs.gov/</a></li> </ul>	
Partnership procedures <ul style="list-style-type: none"> <li>• Complete the <b>mandatory Form 13813</b> and update the TEFRA/nonTEFRA indicator on ERCS</li> <li>• If applicable, follow TEFRA partnership procedures (IRM 4.31.2) TEFRA website link: <a href="http://tefra.web.irs.gov">http://tefra.web.irs.gov</a></li> </ul>	N/A
Establish initial taxpayer contact (IRM 4.10.2.8) ( <b>Note:</b> If valid POA on file, contact <b>must</b> be made with POA) <ul style="list-style-type: none"> <li>• Telephone contact (preferred method) (IRM 4.10.2.8)               <ul style="list-style-type: none"> <li>○ Complete Initial Taxpayer Contact Check Sheet (cold call or callback)</li> </ul> </li> <li>• Letter contact: prepare and mail initial contact Letter 2205-A, Pub 1 &amp; Notice 609</li> <li>• No response to initial contact letter (IRM 4.10.2.8.3)</li> </ul>	120-1
Prepare IDR; mail appointment confirmation letter with IDR (IRM 4.10.2.8.1.1) <ul style="list-style-type: none"> <li>• Taxpayer appointment confirmation Letter 3253, or</li> <li>• If a valid POA, send representative appointment confirmation Letter 3254 and cc taxpayer</li> <li>• Determine if separate notice requirements are applicable (IRM 4.10.1.6.8)</li> </ul>	X
<b>Pre-Contact Comments:</b> TP operates a moving company, possible pickup of subsequent year's returns. Income is not sufficient to support living expenses.	
Fact Finding	W/P REF
Conduct and document the initial interview (IRM 4.10.3.3) <ul style="list-style-type: none"> <li>• Provide contact information for group manager (name and phone number).</li> <li>• Establish and document Mutual Commitment Date (MCD) <u>2/28/17</u></li> </ul>	125-2
Perform and document minimum income probes (IRM 4.10.4.3) <ul style="list-style-type: none"> <li>• Discuss unreported income greater than \$10,000 with manager (IRM 4.10.4.4.1(2))</li> <li>• Update T-account analysis as information becomes available</li> </ul>	X 400-2
Conduct minimum inventory checks, if applicable (IRM 4.10.3.8.4.3)	N/A
If contact with a third party is necessary, see IRM 4.11.57	N/A
Risk analysis – mid-audit decision point (IRM 4.10.3.2.2) <ul style="list-style-type: none"> <li>• Consider 80/20 concept (IRM 4.10.2.7.1.1)</li> <li>• Determine whether the remaining classified/identified issues should be examined (50% rule)</li> <li>• Document the decision</li> </ul>	X X X
Expand to prior, subsequent, related and other returns when warranted (IRM 4.10.5) <ul style="list-style-type: none"> <li>• Issue IDR and provide the taxpayer the opportunity to submit requested information before issuing a report for the prior, subsequent or related returns</li> <li>• Identify and address expenses that require a Form 1099 (e.g. rent, contract labor, etc.)</li> </ul>	130-2
Conduct and document group manager concurrence meeting, if required (IRM 1.4.40.7.6)	115

**Taxpayer Name:** TANIELRSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201412

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17, 7/10/17

Fact Finding (cont'd)	W/P REF
Consider and document the assertion or non-assertion of civil penalties	
<ul style="list-style-type: none"> <li>Identify potential indicators of fraud and develop if present (IRM 4.10.9.7.9 and 25.1.2)</li> </ul>	205
<ul style="list-style-type: none"> <li>Consider information return penalties (Form 1099, Form 8300 etc.) (IRM 20.1.7)</li> <li>Consider return preparer penalties (IRM 4.10.6.8.2, 20.1.6, and 4.10.9.7.10)</li> <li>Consider other miscellaneous penalties (IRM 20.1.10)</li> </ul>	300
<b>Fact Finding Comments:</b> TP has been non-responsive. Issuing RAR for reviewed issues.	
Issue Resolution	W/P REF
Prepare report (IRM 4.10.8.11) and:	
<ul style="list-style-type: none"> <li>Reconcile report to current TXMODA</li> <li>Schedule the closing conference <b>if</b> requested information was provided or taxpayer confirmed there is no additional information <b>OR</b></li> <li>Issue the appropriate report transmittal letter and Pub 3498 if requested information was not provided and the taxpayer did not confirm there is no additional information (e.g. Letter 5262,5261)</li> </ul> <b>Note:</b> Report should not be issued until the taxpayer has had the <b>opportunity</b> to provide the requested information	X
<ul style="list-style-type: none"> <li>Consider applicability of IRC 6404(g) (lead sheet available)</li> </ul>	110-1.5
Conduct the closing conference	
<ul style="list-style-type: none"> <li>Discuss taxpayer rights, provide Pub 3498 (IRM 4.10.8.1.2)</li> <li>Explain proposed adjustments and solicit agreement (IRM 4.10.7.5.1)</li> </ul>	
Agreed cases	
<ul style="list-style-type: none"> <li>Secure and date stamp signed report (<b>Reminder:</b> close case from group in 10 calendar days)</li> <li>Solicit payment using tiered interview approach and document discussion (IRM 4.20.3.2)               <ul style="list-style-type: none"> <li>Discuss the benefits of making a current payment.</li> <li>Determine the taxpayer's ability to pay</li> <li>Document the maximum amount the taxpayer can pay today: _____</li> <li>Can the taxpayer make full payment upon receipt of the first notice or within 120 days?</li> <li>Checks/money orders should be payable to the <u>United States Treasury</u></li> <li>If the taxpayer will not be able to full pay within 120 days of the first notice, explain installment agreement provisions</li> <li>Where appropriate solicit, secure and process Installment Agreement</li> </ul> </li> </ul> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <b>Solicit payment comments:</b>    </div>	
<ul style="list-style-type: none"> <li>Secure levy source information and complete Form 9440 if unpaid and no installment agreement (IRM 4.20.3.3) (<b>Note:</b> complete for both agreed and unagreed cases with unpaid deficiency)</li> <li>Coordinate with Collection if agreed unpaid deficiency over \$100,000 (IRM 4.20.3.4)</li> </ul>	

**Taxpayer Name:** TANIELRSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201412

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17, 7/10/17

Issue Resolution (cont'd)	W/P REF
Unagreed cases ( <b>Reminder:</b> close case from group in 20 calendar days) <ul style="list-style-type: none"> <li>• Offer manager's conference (IRM <u>4.10.8.12</u>) - If declined, notify manager so the manager can contact the taxpayer, as required in IRM <u>1.4.40.4.11.5</u></li> <li>• Advise taxpayer of IRC 6603 deposit procedures (IRM <u>20.2.4.8.2</u>) and complete <u>Form 9440</u></li> <li>• Consider partial agreement (IRM <u>4.10.8.5</u>)</li> <li>• Offer Fast Track Settlement, if eligible (<u>Pub 5022</u> and <u>FTS website</u>)</li> <li>• Prepare 30-day letter package (IRM <u>4.10.8.12</u>)</li> </ul> <p style="text-align: center;"><b>Unagreed cases must have a minimum number of days remaining on the statute when received in Appeals (IRM 4.10.8.12.1(1))</b></p>	
No change cases (IRM <u>4.10.8.2</u> ) ( <b>Reminder:</b> close case from group in 10 calendar days)	
Partially agreed cases (IRM <u>4.10.8.5</u> )	
Claim cases (IRM <u>4.10.8.9</u> )	
<b>Issue Resolution Comments:</b> Have not heard from POA on resolution of flush out report. Issuing 30 day ltr package on 2012 and 2015. The 2014 year has short statute. Send it out on Letter 5153. <span style="float: right;"><i>BR</i></span>	
Closing	W/P REF
<ul style="list-style-type: none"> <li>• Reconcile current TXMODA to report</li> <li>• Prepare applicable closing letter(s)</li> <li>• Prepare Form 3198</li> <li>• Prepare Form 5344</li> </ul> <ul style="list-style-type: none"> <li>• Complete EOAD data</li> <li>• Case file assembly (IRM <u>4.10.9.9</u>)</li> <li>• Move case to file server</li> </ul>	
<b>Closing Comments:</b> Closed 2014 separately from 2012 and 2015.	



## § 6404(g) Job Aid

Taxpayer : TANKERSLEY, BRANDON  
 SSN : 259-51-7291

Agent : Huddleston, Mary  
 Date : 03/23/2017

Use this worksheet to calculate the suspension beginning and ending dates. Each new increase of a taxpayer's liability could result in a different suspension date. If an examiner issues more than one report and it contains new items or adjustments, there are separate IRC 6404g notice dates.

Enter Tax Year(s) (YYYYMM format)	Tax Year		Tax Year		Tax Year	
	201212	201412	201412	201512	201512	201512
	Yes	No	Yes	No	Yes	No
Does the tax year end after July 22, 1998? <span style="float: right;">(Auto populates) →</span>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Is this an Individual Tax Return (e.g., Form 1040EZ, 1040A, 1040)?	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Was the return timely filed by the due date, including extensions?	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
If "Stop Here" then notate on form 3198 & 4549 and/or 4549A that IRC§ 6404(g) does not apply for the specific year.	Go to next Question	Go to next Question	Go to next Question	Go to next Question	Go to next Question	Go to next Question

Enter the "Later" of Due Date or Timely Filed Date.	Tax Year		Tax Year		Tax Year	
	201212	201412	201412	201512	201512	201512
Month :	4	4	4	4	4	4
Day :	15	15	15	18	18	18
Year :	2013	2015	2015	2016	2016	2016

WARNING: When a Normal Due Date is after 4/15, but the RET-RCVD-DT field of CC TXMOD or the Received Date field of CC IMFOLT is 04/15, enter "15" in the Day field (over write the equation).

Will the notice reflect an increase of tax liability?	Tax Year		Tax Year		Tax Year	
	Yes	No	Yes	No	Yes	No
	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
If "Stop Here" then notate on form 3198 & 4549 and/or 4549A that IRC§ 6404(g) does not apply for the specific year.	Go to next Question	Go to next Question	Go to next Question	Go to next Question	Go to next Question	Go to next Question

Enter Date of the Notice:	Tax Year		Tax Year		Tax Year	
	201212	201412	201412	201512	201512	201512
Month :	3	3	3	3	3	3
Day :						
Year :						
If "Stop Here" then notate on form 3198 & 4549 and/or 4549A that IRC§ 6404(g) does not apply for the specific year.	Stop Here!	Stop Here!	Stop Here!	Stop Here!	Stop Here!	Stop Here!

### If your taxpayer qualifies for IRC § 6404(g), please do the following:

1. Check § 6404(g) box in RGS prior to calculating the tax liability.
2. Notate on Form 3198 "IRC § 6404(g) applies to tax year (s)" and notice was given on \_\_\_\_\_

### Important dates to remember:

Suspension period begins on (\*) \_\_\_\_\_ & ends on \_\_\_\_\_ for tax year \_\_\_\_\_  
 Suspension period begins on (\*) \_\_\_\_\_ & ends on \_\_\_\_\_ for tax year \_\_\_\_\_  
 Suspension period begins on (\*) \_\_\_\_\_ & ends on \_\_\_\_\_ for tax year \_\_\_\_\_

\* The date above should be entered as the 1010 Suspension Start Date into DMI Interest Software.

**Conclusion: Does not apply.**

Workpaper #: 110-1.5

Transcript Reconciliation - 2014

NM CTRL: TANK  
 TIN: 259-51-7291

Code	Indicator	Date	Amount	Description	Type	Tax Due	Tax Paid	Interest	Penalty	Other
150		05/25/15	8,411.00	TAX ASSESSMENT-RETURN	A-TaxDue	8,411.00				
610		04/19/15	(7,564.00)	REMITTANCE WITH RETURN	B-TaxPaid		(7,564.00)			
766		04/15/15	(1,000.00)	REFUNDABLE CREDIT ALLOWANCE	B-TaxPaid		(1,000.00)			
971	AC: -	05/25/15	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
170		05/25/15	10.00	ES TAX PENALTY	D-Penalty				10.00	
896		05/25/15	143.00	OVERPAYMENT CREDIT OFFSET	B-TaxPaid		143.00			
425		10/12/16	0.00	REVERSED TC 424	E-Other					0.00
420		10/14/16	0.00	EXAMINATION INDICATOR	E-Other					0.00
960		05/11/17	0.00	ADDS CAF INDICATOR	E-Other					0.00
0										
0										
GRAND TOTALS						<u>8,411.00</u>	<u>(8,421.00)</u>	-	<u>10.00</u>	-
OUTSTANDING BALANCE						<u>-</u>				

Form **2848**  
(Rev. Dec. 2015)  
Department of the Treasury  
Internal Revenue Service

### Power of Attorney and Declaration of Representative

OMB No. 1545-0160  
For IRS Use Only

Received by:  
Name Mary Huddleston  
Telephone 423-855-6008  
-Function SB/SE  
Date 5/3/17

Information about Form 2848 and its instructions is at [www.irs.gov/form2848](http://www.irs.gov/form2848).

#### Part I Power of Attorney

**Caution:** A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

#### 1 Taxpayer Information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address Brandon Tankersley 2435 Valley Hill Drive Cleveland, TN 37311		Taxpayer identification number(s) 259-51-7291	
		Daytime telephone number	Plan number (if applicable)

hereby appoints the following representative(s) as attorney-in-fact:

#### 2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Joe P. Honey, CPA 4295 Cromwell Road, Suite 305 Chattanooga, TN 37421	CAF No. <u>6505-21220R</u> PTIN <u>P00747663</u> Telephone No. <u>423-553-7220</u> Fax No. <u>423-553-7655</u>
Check if to be sent copies of notices and communications <input type="checkbox"/>	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
Check if to be sent copies of notices and communications <input type="checkbox"/>	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
(Note: IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
(Note: IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

**3 Acts authorized (you are required to complete this line 3).** With the exception of the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 5000A Shared Responsibility Payment, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Income	1040	2014, 2015, 2016

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific Use Not Recorded on CAF**

**5a Additional acts authorized.** In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information):

- Authorize disclosure to third parties;  Substitute or add representative(s);  Sign a return; \_\_\_\_\_
- \_\_\_\_\_
- Other acts authorized: \_\_\_\_\_
- \_\_\_\_\_

For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

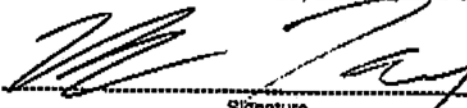
Cat. No. 11980J

Form **2848** (Rev. 12-2015)

**b Specific acts not authorized.** My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.  
 List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b):

**6 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here   
**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**7 Signature of taxpayer.** If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the legal authority to execute this form on behalf of the taxpayer.  
**▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.**

 5/2/17  
 Signature Date Title (if applicable)  
 Brandon Tankersley  
 Print Name Print name of taxpayer from line 1 if other than individual

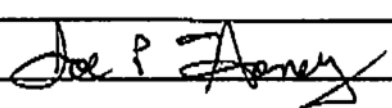
**Part II Declaration of Representative**

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
- I am subject to regulations contained in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
- I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
- I am one of the following:
  - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant—licensed to practice as a certified public accountant is active in the jurisdiction shown below.
  - c Enrolled Agent—enrolled as an agent by the Internal Revenue Service per the requirements of Circular 230.
  - d Officer—a bona fide officer of the taxpayer organization.
  - e Full-Time Employee—a full-time employee of the taxpayer.
  - f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
  - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
  - h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). See *Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.*
  - k Student Attorney or CPA—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student working in an LITC or STCP. See instructions for Part II for additional information and requirements.
  - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

**▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.**

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Designation— Insert above letter (a-r).	Licensing jurisdiction (State) or other licensing authority (if applicable).	Bar, license, certification, registration, or enrollment number (if applicable).	Signature	Date
b	TN	6623		5/2/17

CFINK 259-51-7291

NAME: BRANDON TANKERSLEY

N/C: TANK

MF	TAXPRD	PLN	RN/C	REP-NUMBER	SIGNDATE	SDLN	FORM	LV	RCTS	AUTHS
30	201112	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201212	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201312	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201512	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201612	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
35	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U

PAGE 001 OF 001

CFIPG 001

CFINK 6505-21220R

NAME: JOE P HONEY JR

FIRST: JOE

MIDDLE: P

LAST: HONEY

SUFFIX: JR

2ND NAME:

NAME CONTROL: HONE

PTIN: P00747663

STREET: 4295 CROMWELL RD STE 305

CITY: CHATTANOOGA

STATE: TN ZIP: 37421-2163-803

COUNTRY: US-USA

PHONE & FAX -----

423-553-7220

423-553-4435

CAF STATUS: GOOD STANDING

AUTH LEVELS ON CAF: B

SDLN: 23-1629-49-158-43

SIGN DATE: 06-29-2016 FORM NUM: 2848

COMMENTS:

**Huddleston Mary K**

---

**From:** No Reply [redacted] (b)(6)  
**Sent:** Wednesday, May 03, 2017 9:57 AM  
**To:** Huddleston Mary K  
**Subject:** Fax: Tx 'ok' Report

-----Fax Transmission Report-----

To: CAF Unit at (855) 214-7519  
Subject of Fax: Form 2848 TANK  
Result: The transmission was successful.  
Description: ok  
Result Code:0000  
Pages Sent: 003  
Sent at: 05/03/17 09:55 ET  
Connect Time  
Retry Count: 0  
Remote CSI:

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 10/6/16

<b>GROUP MANAGER CONCURRENCE MEETING</b> <i>(Held no later than 30 business days following the initial appointment)</i>	
<b>Points to Consider:</b>	<b>Comments/Action Items:</b>
<b>1. Case Status:</b> <ul style="list-style-type: none"> <li>• Type of case (DIF or other)</li> <li>• Audit issues</li> <li>• Statute issues</li> <li>• Collectibility</li> </ul>	DIF Case FTHBC, Sch C expenses, possible EIC issue in 2015  No statute concerns on 2012 No collectability issues
<b>2. Initial Appointment:</b> <ul style="list-style-type: none"> <li>• Person(s) interviewed</li> <li>• Tour of business</li> <li>• Location of audit appropriate</li> <li>• Mutual Commitment Date</li> </ul>	Interviewed preparer No tour of business completed at this time. Business is moving company with no office.  Location of audit is POA's office. MCD 2/28/17
<b>3. Books and Records:</b> <ul style="list-style-type: none"> <li>• Description, complete/incomplete, location</li> <li>• Method of accounting</li> <li>• Electronic software/records</li> <li>• Internal controls</li> </ul>	Books are manual, cash method of accounting  No internal controls evident at this time
<b>4. Income Probe:</b> <ul style="list-style-type: none"> <li>• Minimum income probe results/ review steps</li> <li>• Deviations from the minimum income probes</li> <li>• Understatement &gt;\$10,000</li> </ul>	Income probe in process, no deviations thusfar.  No understatement as of yet.
<b>5. Remaining Audit Steps:</b> <ul style="list-style-type: none"> <li>• Change in scope or depth</li> <li>• Prior/subsequent, related returns</li> <li>• Third-party contacts</li> <li>• Specialist referrals</li> <li>• IDR(s) outstanding</li> <li>• Penalty considerations</li> <li>• Obstacles/barriers</li> <li>• Next meeting with taxpayer/POA: _____</li> </ul>	Picked up 2 subsequent years returns 2014 and 2015. The 2013 year return only has 10/15/17. ASSED.  No 3 <sup>rd</sup> party contacts at this time or specialist referrals.  IDR outstanding for subsequent year's information. Next meeting with POA and TP scheduled for November 16.





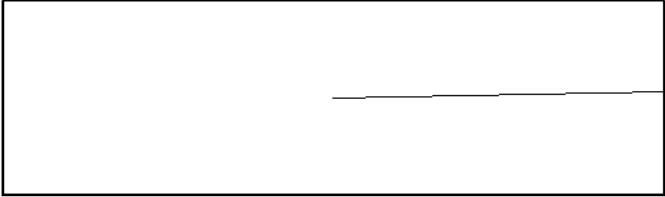
**Taxpayer Name:** TAI...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 8/19/16

Initial Taxpayer Contact Check Sheet		
Action Item	Completed	Comments
1. Advise taxpayer that tax return has been selected for examination: <ul style="list-style-type: none"> <li>• Provide Employee ID</li> <li>• Explain reason for selection, if appropriate</li> <li>• Provide contact information for examiner and group manager (name and phone number)</li> <li>• Refer T/P to <a href="http://www.irsvideos.gov/audit">www.irsvideos.gov/audit</a> for a video overview of the audit process.</li> </ul>		L-2205
	X	Spoke with POA, provided GM contact information.
	X	
	X	
2. Discuss taxpayer rights: <ul style="list-style-type: none"> <li>• Review Publication 1 and Notice 609</li> <li>• Explain innocent spouse relief provisions (Refer to Publication 971, as appropriate)</li> <li>• Confirm current address (for joint returns, confirm address of spouse)</li> <li>• Explain separate notice requirements (IRM 4.10.1.6.8), if applicable</li> <li>• Ask if the taxpayer will have a POA/Representative</li> </ul>		POA was unaware of TP moving from return address.
	X	Innocent spouse and separate notice requirements are not applicable.
	N/A	
	X	POA is familiar with Pub 1 and Notice 609.
3. Discuss the following with the taxpayer: <ul style="list-style-type: none"> <li>• Audit process and taxpayer's role</li> <li>• Issues to be examined</li> <li>• Type of books and records, location and availability (<b>comment required</b>)</li> <li>• Availability of workspace</li> <li>• Eligibility for Appeals (IRM 4.10.8.11)</li> </ul>		Discussed audit process and issues. Joe has workspace. TP has manual books which should be available.
	X	
	X	
	X	Discussed Appeals process.
	X	
4. Schedule initial appointment: <ul style="list-style-type: none"> <li>• Discuss the agenda for the meeting</li> <li>• Discuss the need for a tour of the business and an interview</li> <li>• Discuss the documents and records to be requested in the initial IDR</li> <li>• Confirm date, time and location for initial appointment</li> </ul>		Discussed agenda and tour of business. TP does not have an office.
	X	Discussed IDR and advised it would come in the mail.
	X	
	X	Confirmed September 28, at 9:00 at POA's office.
5. Address any questions or concerns of the taxpayer		None at this time. Joe's # 423-553-7221

INOLES259-51-7291 CURRENT IMF N/C TANK  
CURRENT IMF NAMELINE  
BRANDON TANKERSLEY  
848 GROVE CIR NW  
CLEVELAND TN 37311-1772 486  
TAXYR 2015 FSC 4

LOC CD 6225 LUC 20171601  
ADDRESS UPDATE CYC 20154905 ERP NP  
PRIOR IMF NAMELINES ITIN STATUS  
TAXYR 2010 FSC 1  
BRANDON TANKERSLEY



(b)(3):26  
U.S.C. §  
6103

IMF N/C TANK BRAM  
SSA N/C BRAM TANK  
UPDT [redacted] DOB 10031985 DOD 00000000  
SCRAMBLED SSN 00 MFR 05 FYM 12 DEBT IND I  
BOD CD SB BOD CLIENT CD O EITC IND 0

(b)(3):26  
U.S.C. §  
6103

PRIM TXPR NAMLN  
BRANDON TANKERSLEY

XREF/TRANS INFO TIN ASGNMT  
CODE UCYC TIN 00000000



(b)(3):26 U.S.C.  
§ 6103

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K

**Date:**

## Interview Notes

**TOUR OF BUSINESS:** Taxpayer works out of his home, due to non-responsiveness, did not tour home to assess business use.

**INTERVIEW:** TP did not show for the initial or any subsequent appointments.

Preparer and POA did not have first-hand knowledge of the workings of the business.

**MCD:** February 28, 2017

**Taxpayer Name:** TALLERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17

**Multi-Year and Related Returns Lead Sheet**

Facts, procedures and audit techniques used, management involvement, and conclusions reached **MUST BE DOCUMENTED** on Lead Sheet 130 or supporting workpapers. Documentation should include internal documents secured and any analysis performed.  
 Refer to IRM 4.10.5 and the Required Filing Checks website for additional information.

**Multi-Year Income Tax Returns**

**Review internal information to determine whether the prior and subsequent year returns are filed (IRM 4.10.5.3). Document why the scope was expanded or not expanded to include the prior and/or subsequent years.**

**If filed:**

- Evaluate audit potential and expand the exam to prior and subsequent years when warranted. Complete comparative analysis; for business returns the comparative analysis should be completed in conjunction with the minimum income probes. (IRM 4.10.4.3.3.8 and IRM 4.10.4.3.4.8)
- If adjustments in primary year, or LUQs are identified on the prior or subsequent year, and the exam is not expanded, document the specific facts of the case that support the determination NOT to expand the exam
- Consider NOLD (IRM 4.11.11 and IRM 4.10.4.3(5))

Tip: CFOL, MeF and CDE are used to obtain information to determine audit potential (IRM 4.10.5.2.2)

**If not filed:**

- If there is no filing requirement or little or no tax due, document the reason(s) (IRM 4.10.5.2.6 and IRM 4.12.1.10.7)
- Solicit, secure and process delinquent return(s), unless there is an indication of fraud (IRM 4.12.1.7.1); evaluate audit potential
- Initiate SFR procedures if delinquent return(s) not secured (IRM 4.12.1.8)

**Comments:**

**Exam expanded to 2 subsequent years 2014, 2015, after primary year of 2012. The 2013 year has a 10/15 statute. The 2016 year is on valid extension.**

**The adjustments in 2012 are similar to those in subsequent years.**

**The NOLD carryover from 2013 was disallowed in 2014.**

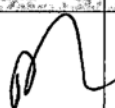
M

**WP Ref.**

130-2

**Taxpayer Name:** TANNER, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17

<b>Multi-Year and Related Returns Lead Sheet</b>	
<b>Related Income Tax Returns (i.e. 1040, 1041, 1120, 1120S, 1065, etc.)</b>	
<b>Identify and document the inspection and analysis of related returns (IRM 4.10.5.4).</b>	
<p><b>If filed:</b></p> <ul style="list-style-type: none"> <li>Evaluate audit potential and expand the exam to related returns when warranted</li> <li>If adjustments on primary return affect related returns, or LUQs (including related transactions) are identified on related returns and the exam is not expanded, document the specific facts of the case that support the determination NOT to expand the exam</li> <li>Consider NOLD (IRM 4.11.11 and IRM 4.10.4.3(5))</li> </ul> <p><u>Tip:</u> CFOL, MeF, CDE, and yK1 are used to obtain information to determine audit potential (IRM 4.10.5.2.2)</p>	<p><b>If not filed:</b></p> <ul style="list-style-type: none"> <li>If there is no filing requirement or little or no tax due, document the reason(s) (IRM 4.10.5.2.6 and IRM 4.12.1.10.7)</li> <li>Solicit, secure and process delinquent return(s), unless there is an indication of fraud (IRM 4.12.1.7.1); evaluate audit potential</li> <li>Initiate SFR procedures if delinquent return(s) not secured (IRM 4.12.1.8)</li> </ul>
<b>Comments:</b>	
There are no related returns.	
	
<b>WP Ref.</b>	
<b>All Other Returns/Forms</b>	
<p><b>Identify and document the inspection and analysis of other returns/forms required to be filed; evaluate audit potential; expand the exam when warranted; secure, solicit and process delinquent returns (unless there is an indication of fraud).</b></p>	<b>Comments/WP Reference</b>
<ul style="list-style-type: none"> <li>Employment Tax Forms (940/941/943/W-2, etc.) (IRM 4.10.5.5)</li> </ul>	TP did not have employees.
<ul style="list-style-type: none"> <li>Information Returns Reporting Payments (1099, etc.) (IRM 4.10.5.6)               <ul style="list-style-type: none"> <li>Determine the potential filing requirements for payments to subcontractors, rents, services, legal fees, etc.</li> <li>Research using command code PMFOL/IMFOLE/BMFOLE</li> <li>Question the taxpayer regarding their internal procedures to verify all reporting requirements have been met</li> <li>1099 Job Aid</li> </ul> </li> </ul>	TP should have filed Form 1099 for subcontractors. However, since TP did not provide proof of payments, or Forms 1099, these expenses were disallowed.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 6/22/17

<b>Multi-Year and Related Returns Lead Sheet</b>	
<ul style="list-style-type: none"> <li>• Information Returns Involving Foreign Entities (926/3520/5471, etc.) (IRM 4.10.5.7)</li> </ul>	N/A
<ul style="list-style-type: none"> <li>• Information Returns Involving Health Care Coverage               <ul style="list-style-type: none"> <li>○ <u>Providers of Minimum Essential Coverage</u> (1095-B)</li> <li>○ <u>Applicable Large Employer</u> (1094/1095-C)</li> </ul> </li> </ul>	N/A
<ul style="list-style-type: none"> <li>• Report of Foreign Bank and Financial Accounts (FBAR) (IRM 4.10.5.8)</li> </ul>	N/A
<ul style="list-style-type: none"> <li>• Form 8300 - <i>Report of Cash Payments Over \$10,000 Received in a Trade or Business</i> (IRM 4.10.5.9 and IRM 4.26.10.7.1)</li> </ul>	N/A
<ul style="list-style-type: none"> <li>• Other required return(s), including               <ul style="list-style-type: none"> <li>○ Form 5500 - <i>Annual Return/Report of Employee Benefit Plan</i> (IRM 4.10.5.11)</li> <li>○ Form 709 - <i>United States Gift (and Generation - Skipping Transfer) Tax Return</i> (IRM 4.25)</li> <li>○ Forms 720 - <i>Quarterly Federal Excise Tax Return</i> (IRM 4.10.5.10)</li> <li>○ 2290 - <i>Heavy Highway Vehicle Use Tax Return</i> (IRM 4.10.5.10)</li> </ul> </li> </ul>	N/A
<ul style="list-style-type: none"> <li>• Consider specialist referrals (IRM 4.10.2.6.5):  <a href="https://srs.web.irs.gov/">https://srs.web.irs.gov/</a></li> </ul>	N/A
<p><b>REMINDER:</b> Document consideration and assertion or non-assertion of information return penalties. (IRM 4.10.5.6.2)</p>	Information return penalties will be asserted if proof of payment of subcontractors is provided.

Taxpayer Name: TANKERSLEY, BRANDON  
 TIN: 259-51-7291  
 Tax Form: 1040  
 Tax Year: 201412

Examiner: Huddleston, Mary K  
 Date: 1/30/2017

	2011	2012	change	2013	change	2014	change	2015	change
Wages			-		-		-		-
Interest			-		-		-		-
Dividends			-		-		-		-
Sch. C.	26,879	26,079	(800)	(17,924)	(44,003)	55,991	73,915	21,087	(34,904)
Capital gains & losses			-		-		-		-
Pensions			-		-		-		-
Sch. E	-	-	-	-	-	-	-	-	-
Sch. F	-	-	-	-	-	-	-	-	-
SSA			-		-		-		-
Other	(1,262)		1,262		-	(17,924)	(17,924)		17,924
<b>Total Income</b>	<b>25,617</b>	<b>26,079</b>	<b>462</b>	<b>(17,924)</b>	<b>(44,003)</b>	<b>38,067</b>	<b>55,991</b>	<b>21,087</b>	<b>(16,980)</b>
1/2 SE Tax Adj.	1,898	1,842	(56)		(1,842)	3,956	3,956	1,490	(2,466)
SE Health Ins.					-	16,655	16,655	8,334	(8,321)
<b>Total deductions</b>	<b>1,898</b>	<b>1,842</b>	<b>(56)</b>	<b>-</b>	<b>(1,842)</b>	<b>20,611</b>	<b>20,611</b>	<b>9,824</b>	<b>(10,787)</b>
AGI	23,719	24,237	518	(17,924)	(42,161)	17,456	35,380	11,263	(6,193)
Sch. A	9,625	13,021	3,396	9,647	(3,374)	-	(9,647)	-	-
Standard Deduction			-		-		-		-
Taxable Income	10,394	3,616	(6,778)		(3,616)	3,356	3,356	-	(3,356)
Tax	1,131	363	(768)		(363)	338	338	-	(338)
Child Care Credit			-		-	338	338		(338)
Child Tax Credit		363	363		(363)		-		-
<b>Total credits</b>	<b>-</b>	<b>363</b>	<b>363</b>	<b>-</b>	<b>(363)</b>	<b>338</b>	<b>338</b>	<b>-</b>	<b>(338)</b>
SE taxes	3,301	3,203	(98)		(3,203)	7,911	7,911	2,980	(4,931)
FTMBC									
Repayment	500	500	-	500	-	500	-	500	-
Health Care						143			
<b>Total Tax</b>	<b>4,932</b>	<b>3,703</b>	<b>(1,229)</b>	<b>500</b>	<b>(3,203)</b>	<b>8,554</b>	<b>8,054</b>	<b>3,480</b>	<b>(5,074)</b>
EITC			-		-		-	3,125	3,125
Additional Child Tax Cr		637	637		(637)	1,000	1,000	1,000	-
<b>Total Payments</b>	<b>-</b>	<b>637</b>	<b>637</b>	<b>-</b>	<b>(637)</b>	<b>1,000</b>	<b>1,000</b>	<b>4,125</b>	<b>3,125</b>

**Schedule A**

Medical			-		-		-		-
Taxes	798	1,841	1,043	820	(1,021)		(820)		-
Interest	8,827	8,430	(397)	8,827	397		(8,827)		-
Contributions		2,750	2,750		(2,750)		-		-
Casualty			-		-		-		-
Misc.			-		-		-		-
Other			-		-		-		-
<b>Total</b>	<b>9,625</b>	<b>13,021</b>	<b>3,396</b>	<b>9,647</b>	<b>(3,374)</b>	<b>-</b>	<b>(9,647)</b>	<b>-</b>	<b>-</b>
Conclusion:									



**Schedule C**

Gross receipts	202,464	176,000	(25,769)	174,885	(1,810)	1,003	10,918	208,013	22,210
COGS	28,897	1,283	(27,614)	5,781	4,498	4,363	(1,418)		(4,363)
Gross income	173,567	175,412	1,845	169,104	(6,308)	181,440	12,336	208,013	26,573
<b>Advertising</b>				38,355	16,933			53,351	23,576
Car & truck exp.	39,925	24,401	(15,524)	59,921	35,520	42,794	(17,127)	51,324	8,530
Commissions			-	3,750	3,750		(3,750)		-
<b>Contract Labor</b>				3,500	3,500			3,320	(2,039)
Depreciation	9,537		(9,537)		-	6,707	6,707		(6,707)
Insurance	2,964	4,700	1,736	9,872	5,172		(9,872)		17,496
Interest			-		-		-		-
Legal fees			-		-		-		-
Office expense				680	680	2,764	2,084	1,745	(1,019)
Rent or lease	1,598		(1,598)	1,162	1,162	1,291	129	11,504	10,213
Repairs and Maint.	13,456	177	(13,279)	7,774	7,597		(7,774)	549	549
Supplies			-		-		-	10,873	10,873
Taxes and Licenses			-	560	560		(560)		-
Travel	1,681	2,028	347	3,905	1,877	3,042	(863)	3,846	804
Net Meals and Ent.	2,174	2,655	481	3,675	1,020	5,607	1,932	4,357	(1,250)
<b>Utilities</b>				2,627	(443)				(2,736)
Wages			-		-		-		-
<b>Other</b>									
Telephone	4,192	8,100	3,908	7,626	(474)	8,167	541	6,280	(1,887)
Truck Parking	480		(480)		-		-		-
Bad Check	675	240	(435)		(240)	450	450		(450)
Gift	125		(125)		-		-		-
<b>Labor</b>				8,000	(37,416)				
Damages	2,697	550	(2,147)	730	180	636	(94)	1,708	1,072
Office expense	240	1,457	1,217		(1,457)		-		-
Merchant Fees	1,612	648	(964)	660	12		(660)	600	600
Internet	612		(612)		-		-		-
Amortization	1,666	1,667	1	1,667	-	1,666	(1)	1,667	1
Credit Card Processing		900	900	2,352	1,452		(2,352)		-
Postage		81	81		(81)		-		-
Uniform		1,129	1,129	1,401	272	578	(823)	2,594	2,016
Maintenance on Sterling		3,558	3,558		(3,558)		-		-
Fuel on Sterling		26,514	26,514	21,994	(4,520)		(21,994)		-
Cable			-	1,920	1,920		(1,920)		-
Towing			-	2,425	2,425	75	(2,350)		(75)
Tires on Sterling			-	1,532	1,532		(1,532)		-
Tags on Sterling			-	940	940		(940)		-
<b>Website Fees</b>									(4,200)
Tools			-		-		-	2,272	2,272
Staffing Service			-		-		-	420	420
Storage			-		-		-	3,700	3,700
Other			-		-		-		-
<b>Total expenses</b>	145,696	148,713	3,017	187,028	38,315	124,417	(62,611)	186,176	61,759
<b>Business Use of the Home</b>									
<b>Net profit or loss</b>	26,879	26,079	(800)	(17,924)	(44,003)	55,991	73,915	21,087	(34,904)

**Taxpayer Name:** TA WERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17

### Internal Controls

**Conclusion:** *(Reflects the final determination on the issue.)*

The review of internal controls was extremely limited. The taxpayer was a no show and the preparer and POA do not have first-hand knowledge of the business.

Taxpayer does bring his paperwork to the preparer, but he also preparer a summary listing for the items to go on the return. The preparer takes his numbers and prepares the return.

The control risk is high that a material misstatement could occur and not be prevented or detected by the taxpayer. Inadequate records notice is being considered.

*The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.*

#### Guidelines

Key Items:	Workpaper Reference
Evaluate taxpayer's overall business operations and method of accounting	
Evaluate records and accounting system(s) maintained by the taxpayer (do books and records clearly reflect business operations).	
Evaluate flow of receipts and expenses through the taxpayer's books and records.	
Evaluate separation of duties/financial responsibilities.	
Evaluate taxpayer's procedures to safeguard business operations and assets.	
Assess level of control risk (risk that a material misstatement could occur and it will not be prevented or detected by the taxpayer).	
Consider inadequate records procedures, if applicable. (IRM 4.10.8.17)	

#### Additional Items to Consider:

If any of the following apply, further development is needed.

Does the taxpayer use accounting software to maintain their books and records?	<u>200-1.2</u>
Does the taxpayer use Point-of-Sale (POS) software such scanners, remote computer terminals, computerized case registers, etc. to record sales transactions?	<u>200-1.2</u>
Does the taxpayer receive electronic payments through credit cards, debit cards, internet payments, or other electronic payment systems?	<u>200-1.2</u>

**Taxpayer Name:** TANNERSLEY, BRANDON  
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**Date:** 3/23/17

<b>E-Records and Payments</b>
(IRM 4.10.4.3.7.5 and 4.10.3.4)
Describe software used: List name of software, version, edition and year.
<b>Example: QuickBooks, Online, Plus, 2010</b>
1. Consider who has access to the accounting and/or point of sale hardware and software to enter, edit, void, or delete transactions. Are separate login ID's issued and are passwords required?
2. Identify the software features in use and to what extent the software is used to record income and expenses.
3. Determine what reports and reconciliations are used to check accuracy.
4. Determine where archived records are maintained and who maintains the backup media.
5. Determine how initial sales data is entered into the system. Is the input real time (contemporaneously) or through batch processing?
6. Consider the help function and/or instruction manuals to answer questions about internal control features, and how to generate reports, backup data, export data, etc.
7. Additional steps to analyze e-records are in the 400 e-business workbook.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 4/12/17

### Fraud Development

Tax Period	Code Section	Penalty Amount	Reference

**Conclusion:** *(Reflects action on the issue.)*

Discussed FRAUD WITH GM and FTA. Determined not to pursue at this time due to lack of overwhelming evidence.

	No Fraud [Comment required if there are adjustment(s) and fraud had been considered]	
<input checked="" type="checkbox"/>	Indications of fraud [See attached]; Date of discussion with manager:	4/3/17, 4/12/17

The following items are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in pursuing the items that apply to each taxpayer. Refer to IRM 25.1, *Fraud Handbook* and the Fraud Website at <http://sbseservicewide.web.irs.gov/Fraud/default.aspx> and contact your local Fraud Technical Advisor (FTA) when indicators of fraud are present.

#### Guidelines

IRM 25.1.1.1(6) The FTA plays a vital role in the development of a potential fraud case. The FTA will be consulted in all cases involving potential fraud after discussing the case with the group manager.

IRM 25.1.1.2(2) defines tax fraud. Tax fraud is often defined as an intentional wrongdoing on the part of a taxpayer, with the specific purpose of evading a tax known or believed to be owing. Tax fraud requires both an underpayment of tax due and fraudulent intent.

IRM 25.1.2.3, *Indicators of Fraud* lists examples of fraud indicators. Fraud cannot be established unless affirmative acts of fraud are present.

IRM 25.1.1, *Overview/Definitions*; IRM 25.1.2, *Recognizing and Developing Fraud*; and IRM 25.1.7, *Failure to File* provide specific guidance on fraud indicators and the development of fraud for filed and/or non-filed returns.

IRM 20.1.5.3, *Examination Penalty Assertion* and IRM 20.1.2.7, *Fraudulent Failure to File — IRC section 6651(f)*, provide specific procedures for assertion of the civil fraud and fraudulent failure to file penalties.

In cases where fraud was considered and the civil fraud penalty is not being recommended, the examiner will explain the reasons why the penalty was not asserted. Document the explanation in the "Conclusion" section above or at Lead Sheet 300, *Civil Penalty Approval Form*.

#### Key Items

**Fraud Development (IRM 25.1.2.2 & IRM 25.1.7.4) and Indicators of Fraud (IRM 25.1.2.3 & IRM 25.1.7.2):**

1. Document discussion with group manager in the Conclusion section above.
2. Discuss with FTA and prepare Form 11661 electronically if there is an agreement that potential for fraud exists and forward to group manager. If a disagreement exists on whether a case should or should not be in fraud development status, the ultimate decision rests with the group manager.
3. Upon receipt of approved Form 11661 with Plan of Action, update the case to Status Code 17.
4. Timely actions and periodic meetings with FTA are required.
5. If no fraud potential, Form 11661 will be updated by the FTA and the case returned to status 12.

**Affirmative Acts (firm indicators) of Fraud warranting criminal consideration (IRM 25.1.3):**

1. If affirmative acts of fraud are established, suspend all activity.

**Taxpayer Name:** TA...ERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/23/17, 4/12/17

**Fraud Development**

2. When affirmative acts (firm indications) of fraud/willfulness exist and criminal criteria are met, refer the case to Criminal Investigation (CI) via Form 2797, *Referral Report of Potential Criminal Fraud Cases*. The FTA is available to assist in determining if firm indications of fraud/willfulness are present, criminal criteria has been met, etc.
3. No actions should be taken until Criminal Investigation accepts or declines referral.
4. If accepted, cases should be updated to Status 18.
5. If not accepted by CI, civil fraud consideration should be pursued.
6. If assigned a case as Cooperating Agent (Form 6544), review and follow guidelines set out in IRM 25.1.4, *Administrative Joint Investigation* and/or IRM 25.1.5, *Grand Jury Investigations*.

**Civil Fraud Developed (IRM 25.1.6)**

1. A civil fraud penalty including the fraudulent failure to file may be developed based on the civil examination and/or result from a criminal investigation (CI) initiated case.
2. Discuss the case with group manager and the FTA. If agreement can not be reached regarding assertion of the civil fraud penalty, the decision will rest with the group manager.
3. Complete a write up including the facts, applicable law, argument, and conclusion (IRM 4.10.8.11.2, *Explanation of Items*).
4. Cases being developed for civil fraud will be updated on AIMS to status code 17 (Fraud Development), via Form 11661, *Fraud Development Recommendation - Examination*.
5. Examiners should be aware of Collateral Estoppel on cases criminally prosecuted. Refer to IRM 25.1.6.4, IRM 25.1.7.8(5) and IRM 20.1.2.7(9). A taxpayer or nonfiler convicted of IRC 7201, *Attempt to Evade or Defeat Tax*, is collaterally estopped from denying liability for the civil fraud or fraudulent failure to file penalty.

**Facts:** (Document the relevant facts.)

**Law:** (Tax law, regulations, court cases, and other authorities. If unagreed, add argument.)

**IRC Section:**

**Specific Citations:**

**Taxpayer Position:** (If applicable) Summarize defenses given by the Taxpayer / Filer, Representative, or Preparer for acts of fraud.

**Additional Items:**

**Workpaper Reference**

Form 11661 - Fraud Development Recommendation - Examination

Form 2797 - Referral Report of Potential Criminal Fraud Cases

Form 10498A - Joint Investigations Intent to Commence Civil Action

Form 10498B - Joint Investigations Intent to Solicit Consent to Extend Statute

Attach to back of tax return

Form 6544 - Request for Cooperating Examiner

Form 13308 - Criminal Investigation Closing Report (Tax and Tax Related Only)

**Taxpayer Name:** TANKERUELLY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Middleston, Mary  
**Date:** 3/30/17

**THE FOLLOWING BADGES OF FRAUD WERE FOUND:**

(Use the interview summary or income workpapers to provide a more detailed explanation for the indicator of fraud.)

	Indicators of Fraud	WP #
	The taxpayer stated that the company's gross receipts were based on deposits that were made into the business bank account. The examiner was able to reconcile the taxpayer's books and records to the returns and during the process discovered business checks that were cashed or deposited into his/her personal bank accounts.	
	Taxpayer fails to disclose assets, transfers assets or acts to conceal assets. Concealment of amount or source of income.	
	Taxpayer paying personal and business expenses in cash when cash payments are not customary.	
	Failure to deposit receipts. The taxpayer stated that the company's receipts were mostly case receipts but no cash deposits were made into the business' bank account and the tax return's gross income figure reconciled to the bank accounts.	
	Taxpayer makes statements contrary to facts known by IRS employee or otherwise seeks to mislead or misinform an agent.	
	Withholding records.	
X	Repeated procrastination on the part of the taxpayer in making and keeping appointments with IRS representatives.	
X	Failure to cooperate with the examining agent.	
	Submitting different income and tax information to a third-party, such as a financial institution.	
	Engaging in cash transactions to prevent leaving an audit trail.	
	Taxpayer is belligerent, threatening or attempts to interfere with your duties.	
	False statements and/or documents, misrepresenting facts, inconsistent statements, incomplete responses, or contradictory statements.	
X	Substantially understating sales or overstating purchases.	
	Taxpayer's occupation and education denote evidence of knowledge concerning his/her filing obligations.	
	Such a large discrepancy in dollars that the taxpayer must have known the discrepancy existed and the reasons.	
	Double set of books; double sets of financial statements.	
	Carrying actual loans on books as purchases.	
	Intentional destruction or alteration of books.	
	Not following advice of attorney or accountant.	
X	Not making full disclosure of relevant facts to an accountant.	
	Income from illegal activities.	
	Bribing or attempting to bribe.	
	Influencing witnesses.	

**Taxpayer Name:** TANKERSLEY, BRANDON  
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**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Middleston, Mary  
**Date:** 3/30/17

FRAUD CHECKSHEET (CONTINUED)	
X	Standard of living or lifestyle that is excessive in comparison with reported income.
	Fictitious or improper deductions, e.g., overstatement of deductions, personal items deducted as business expenses.
	Maintaining sole control and responsibility for books, records, and financial transactions.
	False entries, alterations or forgeries.
	The cashing of income checks to avoid detection.
	Failing to file returns or attempting to evade tax liability in other years (including employment taxes).
	Entering false loans in records.
	Accepting graft money on the pretext that it is a gift.
	Taxpayer refuses or is unable to explain the delinquency.
	Taxpayer has history of delinquency coupled with an ability to pay.
X	A substantial additional tax due for two or more periods.
X	Concealment of facts, information, or records; destroying records; altering records; not maintaining adequate records of transactions.
	A prior history of substantial understatement or other failure to comply with internal revenue laws (such as timely payment of tax due with returns).
	Unusual business practices (such as cashing rebate checks, requesting certain sources of income to pay by different method, or other irregularities), which lend themselves to circumventing normal bookkeeping and recording of transactions.
	The degree of the taxpayer's control of business transactions requiring that he/she be knowledgeable about miscategorizing income or expenses as well as any resulting understatement.
	Deception
	Conspiracy
	Use of nominees (wife, partners, friends). Fictitious names (secret bank accounts in nominee names).
	Use of large sums of currency.
	Ghost employees on the payroll.
	The taxpayer stated that the company's gross receipts were based on deposits that were made into the business bank account. The examiner was able to reconcile the taxpayer's books and records to the returns and during the process discovered business checks that were cashed or deposited into the his/her personal bank accounts.

**Conclusion:** Taxpayer has not shown up for any appointments at the Power of Attorney's office, despite all three IDR's issued requesting a tour of business to be scheduled. Further TP has not provided all the information requested in the IDRs. Based on the review of information that has been provided, taxpayer has substantially overstated expenses. His income is not sufficient to support his living expenses. According to Accurant, TP has a 2014 Sierra Crew Pick-up truck and a 2013 Mercedes C250. These vehicles are beyond his income shown on the tax return for 2014 - \$55,991 and 2015 \$21,087. Additionally, TP did not disclose to his preparer his current address, did not disclose he was no longer living in the property (318 Farmway Dr) for which he received the First Time Home Buyer's Credit (FTHBC), and is not a resident and is not operating his business out of the address (828 Grove Circle) listed on the return. Although he was not living at the FTHBC address, he did not include any rental income on the return, the house was not sold until October, 2015. TP has a balance due on 2011, 2012, and 2013. His 2012 return was filed late. He received refunds in 2014, and 2015 including EITC which were applied against the balance due in 2011. TP has not provided RA adequate records of transactions.

Taxpayer Name: TANKELEY, BRANDON  
TIN: 259-51-1  
Tax Form: 1040  
Tax Year (s): 201212, 201412, 201512

Examiner: Huddleston, Mary K  
Date: 6/22/17

### CIVIL PENALTY APPROVAL FORM

**Conclusion:**

appropriate box below

Reason(s) for Non-Assertion of Penalty(s): IRM 4.10.6.7(1)

*No Change or Refund Case*

*Deficiency Case (Explanation required when adjustments made and penalties are not asserted. The applicable exceptions to the penalty must be documented.)*

**Reason(s) for Assertion of Penalty(s) IRM 4.10.6.7(1)**

Recommend assertion of penalties against this taxpayer. Taxpayer was a no-show for the Exam. TP hired representation, however he also stopped communicating with his POA.

**Group Manager Approval to Assess Penalties Identified Above and for Non-Assertion of Substantial Understatement Penalty Where Dollar Criteria for Penalty Has Been Met (IRM 20.1.5.1.6)**

Group Manager Signature: \_\_\_\_\_ Pam Harden \_\_\_\_\_ Date: 6-22-2017 \_\_\_\_\_ 



**Taxpayer Name:** TANKELEY, BRANDON  
**TIN:** 259-51-001  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

IRC	Penalty	IRM	Assert Penalty		Reference
			Yes	No	
<b>Penalties Not Requiring Group Managerial Approval</b>					
6651(a)(1)	Failure to File (Delinquent and non-filed returns) <i>(Lead Sheet available)</i>	20.1.2.2.7	X		2012 only
6651(a)(2)	Failure to Pay	20.1.2.2.8.4 and 20.1.2.2.10	X		2012 only
6654	Estimated Tax – Individual	20.1.3.2		X	
6655	Estimated Tax – Corporate	20.1.3.3		X	
IRC	Penalty	IRM	Assert Penalty		Reference
<b>Penalties Requiring Group Manager Approval</b>					
6651(f)	Fraudulent Failure To File, Civil	20.1.2.2.7.5		X	
6662(c)	Negligence <i>(Lead Sheet available)</i>	20.1.5.7	X		2014
6662(d)	Substantial Understatement <i>(Lead Sheet available)</i>	20.1.5.8	X		2014
6662(b)	Other Accuracy Related	20.1.5.1.1		X	
6662(h)	Gross Valuation Misstatement	20.1.5.9.4		X	
6662A	Accuracy Related Penalty on Understatements with Respect to Reportable Transactions	20.1.5.13		X	
6707A	Failure to Include Reportable Transactions Information with Return or Statement <i>(See MySB/SE Abusive Transactions website)</i>	20.1.5.13 and 4.32.2		X	
6663	Fraud <i>(Lead Sheet available)</i>	20.1.5.12		X	
	Alternative Penalty Position	20.1.5.12.2			
Consideration of Preparer/Promoter/Material Advisor Penalties			Consider Penalty		Reference
			Yes	No	
6694(a)	Preparer Penalties – Understatement Due to Unreasonable Positions <i>(Lead Sheet available)</i>	20.1.6.3.7		X	
6694(b)	Preparer Penalties – Understatement Due to Willful or Reckless Conduct <i>(Lead Sheet available)</i>	20.1.6.3.13		X	
6695(a)	Failure to Furnish Copy to Taxpayer	20.1.6.4.1		X	
6695(b)	Failure to Sign Return/Claim for Refund	20.1.6.4.2		X	
6695(c)	Failure to Furnish Identifying Number	20.1.6.4.3		X	
6695(d)	Failure to Retain Copy or List	20.1.6.4.4		X	
6695(e)	Failure to Maintain Record of Preparer's Employed	20.1.6.4.5		X	
6695(f)	Negotiation of Taxpayer's Refund Check	20.1.6.4.6		X	
6695(g)	Failure of Due Diligence with Eligibility for EIC	20.1.6.4.7		X	
6700	Promoting Abusive Tax Shelters	20.1.6.12		X	
6701	Aiding & Abetting Understatement of Tax Liability	20.1.6.13		X	
6707	Failure to Furnish Information Regarding Reportable Transactions	20.1.6.15		X	
6708	Failure to Maintain Lists of Advisees with Respect to Reportable Transactions	20.1.6.16		X	
6713	Unauthorized Disclosure or Use of Information	20.1.6.7		X	

**Taxpayer Name:** TANK SLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 3/29/17

**Minimum Income Probes  
 Individual Business Returns**

After consideration of the minimum income probes, evaluate the information collected and determine the scope of the examination of income. Explain why the scope did not go beyond the minimum income probes or why a more-in-depth examination of income was warranted. Specific items of income should be pursued first, while a formal indirect method may be used when appropriate (IRM 4.10.4.5.1).

**Examiner Comments/Conclusion (required):** Income reported on the return is not sufficient to support living expenses. IRP reconciliation shows TP did not include Interest of about \$12 per year, and in 2014 there was a \$2K forgiveness of debt not included on the return – all these will be adjusted. TP was a no-show, so unable to interview the TP, and POA did not have sufficient first-hand knowledge of the business. The business is operated out of the TP's home, no tour was completed. The review of internal controls was minimal, so no evaluation of them was made. Income and expenses reported on the tax return came from summary sheets created by the taxpayer. Taxpayer did not provide any source documents to test gross receipts. Review of the bank deposits shows income was derived from bank deposits in 2012. No additional bank records were provided. Business ratio review proved expenses were fairly consistent from year to year. The taxpayer has a website, however it is for information only, due to the nature of the business, no sales over the internet are likely. An inadequate records notice will be issued at the conclusion of the exam.

**Material Understatements and Managerial Involvement (IRM 4.10.4.4.1)**

If the examination reveals an understatement of income:

- A discussion should be held with the group manager to consider possible expansion of the examination scope/depth, audit techniques to be used, and the potential of fraudulent activity. (IRM 4.10.4.4.1(1))
- **All** discussions held with the group manager **must be noted on Form 9984** and a summary of the discussion and resulting decisions **must be documented** in the "Examiner Comments/Conclusion" above or in the workpapers. (IRM 4.10.4.4.1(3))

**Understatements Exceeding \$10,000 (IRM 4.10.4.4.1(2))**

A discussion with the group manager is **mandatory** if the understatement of income is greater than \$10,000. Provide the workpaper reference where the mandatory managerial discussion is documented. Write "above" if documented in the "Examiner Comments/Conclusion" above.

**Workpaper Reference**

**Minimum Income Probes for Individual Business Returns (IRM 4.10.4.3.3)**

**Workpaper Reference**

- |  |                |
|--|----------------|
| 1. Complete a <b>financial status analysis</b> to estimate whether reported income is sufficient to support the taxpayer's financial activities. Include both business and personal financial activities. <b>Reconcile IRP</b> information to tax return. (IRM 4.10.4.3.3.1 and Exhibit 4.10.4-4)  | 400-2<br>400-3 |
| 2. <b>Interview</b> the taxpayer (or representative) to gain an understanding of the taxpayer's financial history and internal controls, identify sources of nontaxable funds, and establish the amount of cash-on-hand and accumulated funds. Consider possible bartering income. (IRM 4.10.4.3.3.2, IRM 4.10.4.6.8.3 and Exhibit 4.10.4-1) | 125-2          |
| 3. <b>Tour the business</b> site to gain familiarity with the taxpayer's operations and internal controls, identify potential sources of unreported income, and confirm the existence of assets. Office Audit field visits require group manager approval. (IRM 4.10.4.3.3.3)  | 125-2          |
| 4. Evaluate <b>internal controls</b> to determine the reliability of the books and records, identify high risk issues, and determine the depth of the examination of income. (IRM 4.10.4.3.3.4 and IRM 4.10.3.4)   | 200            |
| 5. <b>Reconcile the income</b> reported on the tax return to the taxpayer's books and records. (IRM 4.10.4.3.3.5)  | 400-5          |

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K

**Date:** 3/29/17

<b>Minimum Income Probes for Individual Business Returns (IRM 4.10.4.3.3)</b>	<b>Workpaper Reference</b>
6. <b>Test gross receipts</b> by tying the original source documents (cash register receipts and/or invoices) to the books. (IRM 4.10.4.3.4.7, IRM 4.10.3.9 and Exhibit 4.10.3-5)	N/A
7. Analyze the taxpayer's business and personal <b>bank accounts (including investment accounts)</b> to evaluate the accuracy of gross receipts reported on the tax return. (IRM 4.10.4.3.3.7)	400-4
8. Analyze <b>business ratios</b> to evaluate the reasonableness of the taxpayer's business operations and identify issues needing a more thorough examination. (IRM 4.10.4.3.3.8 and IRM 4.10.3.9.1) This analysis should be completed in conjunction with the Required Filing Checks under IRM 4.10.5.3, <i>Prior and Subsequent Year Returns</i> .	400-6
9. Determine <b>internet use and/or e-commerce</b> income activities. (IRM 4.10.4.3.7)	400-7
<b>Deviations:</b> Document the reason(s) for each deviation from the minimum income probe(s) in the respective workpaper section(s). See IRM 4.10.4.3.3.10 for specific guidance on deviations.	
<b>Inadequate Books and Records:</b> If the taxpayer's books and records are inadequate, consider issuing an inadequate records notice at the end of the audit. (IRM 4.10.8.17)	

**Taxpayer:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 10/1/2016

**2014 T-Account**

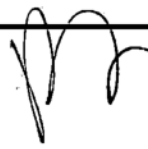
Sources	Pre T-Acct	Post T-Acct	Uses	Pre T-Acct	Post T-Acct
Wages			Student loans		
Interest (taxable + tax exempt)			Sch A EBE		
Dividends			Moving expenses		
Refunds (federal + state)			Alimony paid		
Pension (taxable + non-taxable)			Fed. Tax WH		
Social Security (taxable + non-taxable)			State Tax WH		
Unemployment			Estimated tax (federal)		
Alimony received			Estimated tax (state)		
IRA distribution (taxable + non-taxable)			Sch C Returns & Allow		
Schedule C Gross Receipts	185,803	185,803	Sch C COGS Purchases	4,363	4,363
Schedule C Other Income			Sch C COGS Labor		
			Sch C COGS Materials		
			Sch C COGS Other		
			Sch C Expenses	124,417	124,417
			(Sch C Depreciation)		
			Sch C Non-deduct. meals		
Schedule F Gross Receipts			Schedule F Exp (less depreciation)		
Schedule D Gross Sales			Schedule D Purchases		
Schedule E Gross Rents/Royalties			Sch E Exp before deprec/depletion		
Partnership distrib			Partnership contribution		
S Corp distrib			S Corp contribution		
Estate distrib.					
Trusts distrib.			SE Health Insurance	16,655	16,655
Child support			Child support paid		
Assets sold - business			Asset purchases - business		
Assets sold - personal			Asset purchases - personal		
Non-taxable					
Cash on hand 1/1			Cash on hand 12/31		
Cash in bank 1/1			Cash in bank 12/31		
Credit card charges/cash advances			Credit card payments		
Loan proceeds			Loan payments		
Loans from others (family, friends)			Loans to others (family, friends)		
<b>Total Sources</b>	<b>185,803</b>	<b>185,803</b>	<b>Total Uses before PLE</b>	<b>145,435</b>	<b>145,435</b>
			Personal Living Expenses (page 2)	44,077	44,077
<b>Total Uses</b>	<b>189,512</b>	<b>189,512</b>	<b>Total Uses</b>	<b>189,512</b>	<b>189,512</b>
<b>Overstatement/Understatement</b>	<b>(3,709)</b>	<b>(3,709)</b>			

Pre T-Account indicates an **UNDERSTATEMENT** of \$ **3,709**  
 Post T-Account indicates an **UNDERSTATEMENT** of \$ **3,709**

**Pre-T-Account Comments**

Income is not sufficient to support living expenses.

**Post T-Account Conclusion**



**Taxpayer:** TANKERSLEY, BRANDON **TIN:** 259-51-7291  
**2014 Estimated Personal Living Expenses (PLE)**

Select the correct Demographics for your taxpayer. The BLS amounts will calculate based on these selections

**Demographic**  
 Number of persons in household:  
 Number of earner(s) on the return:  
 Housing Tenure  
 Region

**Select from drop-down options:**  
**Two persons**  
**Single w/ earner**  
**Renter**  
**South**

Grey in the BLS Table column indicates no BLS is available. Use any combination of weekly, monthly or yearly.

Estimated Personal Living Expenses (* - Click in the cell to see additional information.)		BLS Table	Omit BLS	Pre PLE	Actual/TP Estimates			Post PLE
					Weekly	Monthly	Yearly	
Housing (all personal residences)	**Mortgage or rent payments							
	Mortgage interest (not including principal or escrow)							
	**Rent	5,084		5,084			5,084	
	**Real estate/property taxes/other taxes	1,235		1,235			1,235	
	**Maintenance, repairs, insurance, other expenses	938		938			938	
**Household furnishings and equipment	1,316		1,316			1,316		
Utilities	Heating (gas, oil, coal, propane, etc)	403		403			403	
	Electric (heating, cooling, lights, etc)	1,350		1,350			1,350	
	Water/Sewage	419		419			419	
	Trash							
	TV (cable/satellite service)							
	Telephone (LAN, cell)	1,128		1,128			1,128	
	Internet/Voice over internet							
	Lawn / pool / snow services							
	Pest control							
Transportation	Car/boat/plane payments	3,175		3,175			3,175	
	Gasoline	2,143		2,143			2,143	
	Oil changes / repairs	710		710			710	
	Insurance	929		929			929	
	Parking / tolls							
	Tags/titles	463		463			463	
	Public transportation (bus, subway)	483		483			483	
Personal Care Items	**Groceries	5,643		5,643			5,643	
	Household cleaning	284		284			284	
	Clothes	1,408		1,408			1,408	
	Dry Cleaning/laundromat	122		122			122	
	Barber/hair stylist							
	Personal care items-cosmetics, hygiene, etc.	548		548			548	
	**Miscellaneous	2,354		2,354			2,354	
Medical	**Doctors (medical, dental, eye)	582		582			582	
	**Insurance	2,307		2,307			2,307	
	**Prescriptions / non prescription drugs	536		536			536	
	**Self help (stop smoking, weight loss, treatment ctr. etc)							
	**Medical procedures (hospital, outpatient, etc.)							
**Other costs (braces, contacts, glasses, etc.)								
Entertainment	**Electronics	1,271		1,271			1,271	
	Movies (video/DVD/Netflix)							
	Pets, toys, hobbies, and playground equipment	518		518			518	
	Downloads (music, applications)							
	Vacations							
	Events (sporting, concerts, amusement parks, etc.)	466		466			466	
Education Costs	**Tuition (private school, college)	974		974			974	
	Books, supplies	86		86			86	
	Meals							
	Sports costs (fees, uniforms, equipment, etc)							
	Daycare / summer camp							
Finan- cial	**Retirement (contributions to 401K, social security tax, etc)	4,474		4,474			4,474	
	Life Insurance	237		237			237	
	Misc							
Other/Misc	**Charitable contributions	1,561		1,561			1,561	
	Gambling costs							
	Dues (club, prof., union) / fees (golf, gym)							
	Gifts - holiday, birthdays, anniversary	934		934			934	
	Jewelry, watches, etc.							
From Page 3 (Note: Change print settings to print additional page)								
Total Personal Living Expenses		44,077		44,077			44,077	

## 2014 IRP Reconciliation Worksheet

**Taxpayer:** TANKERSLEY, BRANDON      **Examiner:** Huddleston, Mary K  
**TIN:** 259-51-7291  
**Tax Form:** 1040      **Date:** 3/23/2017

	Income Type	TPH IRP	Per IRP	Per Return	Difference	W/P Ref
1	Taxes Withheld		-		-	
2	Wages		-		-	
3	Tips		-		-	
4	Interest	12	12		12	
5	Mtg Int Pd	7,127	7,127		7,127	
6	Mtg Ins	792	792		792	
7	Prior Yr Refund		-		-	
8	Savings Bond		-		-	
9	Dividends		-		-	
10	Pension/Annuity		-		-	
11	IRA CTB		-		-	
12	NonEmp Comp		-		-	
13	Capital Gain		-		-	
14	Real Estate Sales		-		-	
15	Gross Distribution		-		-	
16	Taxable Distrib.		-		-	
17	Misc. Other Inc.	9,345	9,345	185,803	(176,458)	
18	Patronage		-		-	
19	Student Loan Interest		-		-	
	<b>Other:</b>					
20	Debt Cancelation	2,051	2,051		2,051	
			-		-	

**Comments Regarding Findings:**

Debt Cancelation, Interest, Mortgage Interest and Mortgage Insurance were not included on the return.

Taxpayer Name:  
TIN:  
Tax Form:  
Tax Year:

TANK EY, BRANDON  
259-51-7291  
1040

Examiner: ~~xxxxxxxx~~ Preston, Mary K  
Date: 3/23/2017

### 2014 Reconciliation of Books to Return

Description	Amount Per Return	Amount Per Books	Difference
<b>Schedule C</b>			
Gross receipts	185,803	185,803	0
Cost of goods sold	4,363	4,363	0
Gross income	181,440	181,440	(0)
Advertising	34,775	34,775	0
Car & truck exp.	42,794		42,794
Commissions			-
Contract Labor/Outside			
Services	8,929	8,929	0
Depreciation	6,707	6,707	-
Insurance			-
Interest			-
Legal fees			-
Office expense	2,764	2,764	-
Rent or lease	1,291	1,291	0
Repairs and Maint.			-
Supplies			-
Taxes and Licenses			-
Travel	3,042	3,042	(0)
Net Meals and Ent.	5,607	11,214	(5,607)
Utilities	2,736	2,736	0
Wages			-
Other			-
Telephone	8,167	8,167	(0)
Bad Check	450	450	-
Damages	636	636	0
Amortization	1,666	1,666	-
Uniform	578	578	0
Towing	75	75	-
Website Fees	4,200	4,200	-
Business Use of the Home	1,032	1,032	-
	-		-
<b>Total expenses</b>	125,449	88,261	37,188
<b>Net profit or loss</b>	55,991	93,179	(37,188)

2014 Tankersley Return

Income - \$ 185,802.69

Cost of Goods Sold:

Boxes & Packing Materials ✓ \$ 3,910.07

Tools ✓ \$ 452.57

Total Cost of Goods Sold - \$ 4,362.64 4

Gross Profit - \$ 181,440.05

Expenses:

~~Advertising~~ \$ 34,774.66 8

~~Communication~~ \$ 8,167.22 27

Website ✓ \$ 4,200.00 27

Travel \$ 3,042.23 24a

Meals & Entertainment ✓ \$ 11,214.28 24b

Rentals ✓ \$ 1,290.73 20a

~~Contract Labor~~ \$ 8,928.68 11

Bad Check ✓ \$ 450.00 27

Towing ✓ \$ 75.00 27

Storage (Office) ✓ \$ 2,764.00 18

Damages ✓ \$ 635.63 27

Uniform ✓ \$ 577.97 27

~~Utilities~~ \$ 2,735.89 25

Proof of: \$ 78,856.29

Total Expenses -

Net Income - \$ 102,583.76

9 \$ (42,794.00) Car & Truck Expense

13 \$ (6,707.00) Depreciation

27 \$ (1,666.00) Amortization

24b \$ 5,607.14 Meal & Entertainment

30 \$ (1,032.00) Home Office - Line 30

Tax Net Income -

\$ 55,991.90



Net Income:

\$ 50,112.01

\$ ✓ 2,655.00 50% Meals & Ent.

\$ 52,767.01

✓ 24,401 CAR & TRUCK EX.

28,366.01

1,667 amortization?

26,699.01

= 58,453

2014

- Verizon ~~15,202.25~~
- Insurance \$ 16,655.41
- Life insurance \$ 668.52 x
- Home owners Acc. \$ 100.00 x
- 14 GMC Sierra \$ 4500 down \$ 955 payment
- Google Clicks \$ 17,374.66
- Hotels \$ 2,167.04
- Food \$ 11,214.28
- Truck Rentals \$ 1,290.73
- Boxest packing material \$ 3,910.07
- Business phone line + wifi \$ 1,680.00
- Labor \$ 8,500.00
- Tools \$ 452.57
- Phones + Equipment \$ 1,366.93
- Bad check \$ 450.00
- Phone Book + internet \$ 16,400
- Mint Magazine Ad \$ 1,000.00
- Website + Maint. \$ 4,200.00
- Truck Tags \$ 978.25
- Truck parking \$ 1,750.00
- Airline + cab \$ 56.19
- Towing \$ 75.00
- Storage \$ 2,764.00
- Damages \$ 635.63
- \* Movers \$ 4,280.25
- uniforms \$ 577.97
- Home interest \$ 7,095.39
- Child care \$ 1,100.00
- Home Repair + upgrades \$ 1,570.55
- medical \$ 809.61
- Electric \$ 2,080.95
- Water \$ 654.44

Total Income  
\$ 185,802.69

Mileage 76,412

1500 sq ft + home  
150 sq ft + office

ok \$ 75  
Contract  
labor

Brandon Tankersley  
Southeast  
Moving Service

Books Provided by TP to Preparan

400-6

## Vertical Analysis

<b>Taxpayer Name:</b>	<b>TANKERSLEY, BRAND</b>					
<b>TIN:</b>	<b>259-51-7291</b>					
<b>Tax Form:</b>	<b>1040</b>		<b>Date:</b>		<b>3/23/17</b>	
<b>Tax Year:</b>	<b>201412</b>					
<i>Note: The vertical analysis utilizes gross income as the reference point.</i>	<b>201212</b>	<b>% of Gross Receipts</b>	<b>201412</b>	<b>% of Gross Receipts</b>	<b>201512</b>	<b>% of Gross Receipts</b>
<b>Schedule C Information:</b>						
Gross Receipts	176,695	100%	185,803	100%	208,013	100%
Returns and Allowances						
Net Sales	176,695	100%	185,803	100%	208,013	100%
Materials and Supplies	1,283	1%	4,363	2%	5,972	3%
COGS	1,283	1%	4,363	2%	5,972	3%
Other Income						
Gross Income	175,412	99%	181,440	98%	202,041	97%
Expenses:						
Advertising	19,099	11%	38,975	21%	58,351	28%
Car and Truck	24,401	14%	42,794	23%	51,324	25%
Commissions and fees						
Contract Labor	512	0%	8,929	5%	7,310	4%
Depletion						
Depreciation			6,707	4%		
Employee benefit programs						
Insurance	4,700	3%			17,496	8%
Interest - Mortgage						
Interest - other						
Legal and professional						
Office expenses and Postage	1,538	1%	2,764	1%	1,745	1%
Pension and profit-sharing						
Rent or lease - vehicles, machinery & equip	1,811	1%	1,291	1%	11,504	6%
Rent or lease - other business property						
Repairs and maintenance	177	0%			549	0%
Supplies					10,873	5%
Taxes and licenses						
Travel	2,028	1%	3,042	2%	3,846	2%
Deductible meals & entertainment	2,655	2%	5,607	3%	4,357	2%
Utilities	3,070	2%	2,736	1%		
Wages						
Other Expenses:						
Telephone	8,100	5%	8,167	4%	6,280	3%
Bad Check	240	0%	450	0%		
Labor	45,416	26%				
Damages	550	0%	636	0%	1,708	1%
Merchant Fees & Credit Card Processing	1,548	1%			600	0%
Uniform	1,129	1%	578	0%	2,594	1%
Sterling	3,558	2%				
Fuel on Sterling	26,514	15%				
Towing			75	0%		
Amortization	1,667	1%	1,666	1%	1,667	1%
Business Use of Home	620	0%	1,032	1%	750	0%
Total Expenses	149,333	85%	125,449	68%	180,954	87%
Net Profit	26,079	15%	55,991	30%	21,087	10%

**Conclusion Comments:**

Vertical analysis showed many expenses are consistent from year to year.

## Horizontal Analysis

<b>Taxpayer Name:</b>	TANKERSLEY, BRANC	<b>Examiner:</b>	Huddleston, Mary K
<b>TIN:</b>	259-51-7291		
<b>Tax Form:</b>	1040	<b>Date:</b>	3/23/17
<b>Tax Year:</b>	201412		

	201212	% Chg	201412	% Chg	201512
	Prior Year		Audit Year		Sub Year
<b>Schedule C Information:</b>					
Gross Receipts	176,695	5%	185,803	12%	208,013
Returns and Allowances					
Net Sales	176,695	5%	185,803	12%	208,013
Materials and Supplies	1,283	240%	4,363	37%	5,972
COGS	1,283	240%	4,363	37%	5,972
Other Income					
Gross Income	175,412	3%	181,440	11%	202,041
Expenses:					
Advertising	19,099	104%	38,975	50%	58,351
Car and Truck	24,401	75%	42,794	20%	51,324
Commissions and fees					
Contract Labor	512	1644%	8,929	-18%	7,310
Depletion					
Depreciation			6,707	-100%	
Employee benefit programs					
Insurance	4,700	-100%			17,496
Interest - Mortgage					
Interest - other					
Legal and professional					
Office expenses and Postage	1,538	80%	2,764	-37%	1,745
Pension and profit-sharing					
Rent or lease - vehicles, machinery & eq	1,811	-29%	1,291	791%	11,504
Rent or lease - other business property					
Repairs and maintenance	177	-100%			549
Supplies					10,873
Taxes and licenses					
Travel	2,028	50%	3,042	26%	3,846
Deductible meals & entertainment	2,655	111%	5,607	-22%	4,357
Utilities	3,070	-11%	2,736	-100%	
Wages					
Other Expenses:					
Telephone	8,100	1%	8,167	-23%	6,280
Bad Check	240	88%	450	-100%	
Labor	45,416	-100%			
Damages	550	16%	636	169%	1,708
Merchant Fees & Credit Card Processing	1,548	-100%			600
Uniform	1,129	-49%	578	349%	2,594
Sterling	3,558	-100%			
Fuel on Sterling	26,514	-100%			
Towing			75	-100%	
Amortization	1,667	0%	1,666	0%	1,667
Business Use of Home	620	66%	1,032	-27%	750
Total Expenses	149,333	-16%	125,449	44%	180,954
Net Profit	26,079	115%	55,991	-62%	21,087

**Conclusion Comments:**

Horizontal analysis did not provide much useful information.

Taxpayer Name:

TANKERSLEY, BRANDON

Examiner:

Huddleston, Mary

TIN:

259-51-7291

Tax Form:

1040

Date:

3/29/2017

Tax Year:

201212, 201412, 201512

### E-Commerce Lead Sheet

### Internet Use and Probe for E-Business Activity

**Conclusion:** (Reflects the final determination on the issue)

Taxpayer has a website used for information only.

Examiners are required to determine Internet Use and Probe for E-Commerce Activity as part of the Minimum Income Probes under .

IRM 4.10.4.3.7

**Audit Steps: (Document audit steps taken or to be taken)**

**Reference**

**Internet Use**

1. Use Google or another Internet search engine to complete a basic search on taxpayers name, business name, phone number and address.

The purpose is to determine if your taxpayer uses the Internet to advertise or has e-commerce sales activities. Some examples of e-commerce activities are the business' website(s), advertising on Facebook, Craigslist, blogs, or other social media. An address check provides directions and a listing of all businesses at that address. Examiners are to keep in mind that our internal subscription services, such as Accurint, is the starting point to locate addresses of people and businesses and to locate assets. The Internet is where we look to find e-commerce activities.

**Interview taxpayer and examine records** to detect online accounts for banking, investing, bill paying, auctions, bartering, gambling, online sales and services. Ask the taxpayer about website ownership and affiliations.

2. **E-Commerce:** Determine if the taxpayer has a website(s):

**Cursory Review of Tax Return:**

Business listed on tax return includes a dot such as ".com" Note: There are many domain name extensions in addition to ".com" so look for the dot, ".", in the name.

Check for deductions claimed for Internet related services such as website design / maintenance, depreciation for computers, or fees paid to Internet Service Provider.

**Taxpayer disclosed or examiner noted:**

Website address listed on correspondence, business card, literature, phone books, signs on vehicles, or signs at business location. Did the Internet Search identify a website?

**Examination of Records:** deductions paid to Internet service providers, e-payment providers, web related expenses such as design or maintenance, etc.

3. Does the taxpayer have one or more websites?

Yes

If a website is located, SAVE IT and use the Website Review Lead Sheet to analyze and document your findings.

4. During the interview ask the taxpayer about BOTH personal and business Internet use. Including involvement with:

Yes or No

a) Online Banking

No

b) Online Payments

No

5. Involvement in the following? Refer to Exam Aids to complete audit steps if identified.

Yes or No

**Taxpayer Name:**

TANKERSLEY, BRANDON

**Examiner:**

Huddleston, Mary

**TIN:**

259-51-7291

**Tax Form:**

1040

**Date:**

3/29/2017

**Tax Year:**

201212, 201412, 201512

**E-Commerce Lead Sheet**

**Internet Use and Probe for E-Business Activity**

a) Electronic Records	No	
b) Electronic Currency (e.g., Bitcoin)	No	
c) Online Auctions Sales	No	
d) Online Retail Sales	No	
e) Online Services	No	
f) Online Bartering	No	
g) Online Gambling	No	

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Sch C1 - Gross Receipts or Sales Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	176,695.00	176,695.00	.00	See below
201412	185,803.00	185,803.00	.00	See below
201512	208,031.00	208,031.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Gross Receipts are accepted as filed.

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper Reference**

- |  |                |
|--|----------------|
| 1. Complete a financial status analysis to estimate whether reported income is sufficient to support the taxpayer's financial activities. Include both business and personal financial activities. Reconcile IRP information to tax return. (IRM 4.10.4.3.3.1 and Exhibit 4.10.4-4)  | 400-2<br>400-3 |
| 2. Interview the taxpayer (or representative) to gain an understanding of the taxpayer's financial history and internal controls, identify sources of nontaxable funds, and establish the amount of cash-on-hand and accumulated funds. Consider possible bartering income. (IRM 4.10.4.3.3.2, IRM 4.10.4.6.8.3 and Exhibit 4.10.4-1)  | 125-2          |
| 3. Tour the business site to gain familiarity with the taxpayer's operations and internal controls, identify potential sources of unreported income, and confirm the existence of assets. Office Audit field visits require group manager approval. (IRM 4.10.4.3.3.3)   | 125-2          |
| 4. Evaluate internal controls to determine the reliability of the books and records, identify high risk issues, and determine the depth of the examination of income. (IRM 4.10.4.3.3.4 and IRM 4.10.3.4)  | 200            |
| 5. Reconcile the income reported on the tax return to the taxpayer's books and records. (IRM 4.10.4.3.3.5)   | 400-5          |
| 6. Test gross receipts by tying the original source documents (cash register receipts and/or invoices) to the books. (IRM 4.10.4.3.4.7, IRM 4.10.3.9 and Exhibit 4.10.3-5)   | N/A            |
| 7. Analyze the taxpayer's business and personal bank accounts (including investment accounts) to evaluate the accuracy of gross receipts reported on the tax return. (IRM 4.10.4.3.3.7)  | 400-4          |
| 8. Analyze business ratios to evaluate the reasonableness of the taxpayer's business operations and identify issues needing a more thorough examination. (IRM 4.10.4.3.3.8 and IRM 4.10.3.9.1) This analysis should be completed in conjunction with the Required Filing Checks under IRM 4.10.5.3, Prior and Subsequent Year Returns. | 400-6          |
| 9. Determine internet use and/or e-commerce income activities. (IRM 4.10.4.3.7)  | 400-7          |

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. He operates the business using the cash method of accounting. For 2012, bank deposits were used to determine income. Additionally, taxpayer provided copies of some merchant statements for 2012.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §61

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.



**Taxpayer Name:** TALLERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Car & Truck Expense

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	24,401.00	24,401.00	.00	See below
201412	42,794.00	42,794.00	.00	See below
201512	51,324.00	51,324.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Car and Truck expenses are accepted as filed.

*The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.*

<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>	<b>Workpaper Reference</b>
1. Reconcile the amount(s) per return to taxpayer's records.	
<b>Lease Expenses*</b>	
1. Determine the monthly lease payment amount based on the lease agreement.	
2. Determine the total business percentage of vehicle use.	
3. Calculate inclusion amount for each tax year the car/truck is leased, pro-rating amount if applicable.	
4. Calculate and compare the deduction amount to the taxpayer return ((lease payment * business percentage) + inclusion). * Lease expense may be on a separate line or included in Car & Truck. All other deductions are based on either the standard or actual expenses criteria listed below.	
<b>Standard Mileage Rate</b>	
1. Check deduction method to determine compliance with regulations and consistency with prior years.	
2. Verify expense is ordinary and necessary to taxpayer business throughout each step.	
3. Examine logbook to determine how many business miles traveled	
4. Ensure business miles traveled are less than total miles traveled.	
5. Examine repair receipts and odometer readings to determine total miles on vehicle.	
6. Compare logbook to appointment book to match appointments with miles traveled.	
7. Ensure business miles do not include commuting miles.	
8. Scan logbook, question large and unusual mileage entries, possibly outside taxpayer territory or normal travel pattern.	
9. Calculate mileage calculation (Total business miles * Standard mileage rate).	

**Taxpayer Name:** TAI...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Car & Truck Expense

<b>Car &amp; Truck Expense</b>	
<b>Actual Expenses</b>	
1.	Check deduction method to determine compliance with regulations and consistency with prior years.
2.	Verify expense is ordinary and necessary to taxpayer business throughout each step.
3.	Examine repair receipts and odometer readings to determine total miles on vehicle.
4.	Examine logbook to determine how many business miles traveled.
5.	Ensure business miles traveled are less than total miles traveled.
6.	Compare logbook to appointment book to match appointments with miles traveled.
7.	Ensure business miles do not include commuting miles.
8.	Scan logbook, question large and unusual mileage entries—possibly outside taxpayer territory or normal travel pattern.
9.	Compare total miles on vehicle to business miles to determine percentage of business miles.
10.	Verify total operating expenses for vehicle (invoices for gas, oil, repairs, insurance, taxes, etc.).
11.	Calculate allowable operating expenses (percentage of business miles * total operating expenses).
<b>Actual Expenses - Depreciation</b>	
1.	Determine if taxpayer depreciated vehicle.
2.	Determine month in year vehicle was placed into service.
3.	Determine appropriate cost basis for depreciation (consider prior depreciation, trade-ins, etc.).
4.	Apply appropriate limitation for depreciation deduction.
5.	Calculate depreciation deduction based on depreciation method used and corresponding business percentage of miles.
<b>Facts:</b> <i>(Document the relevant facts.)</i>	
Taxpayer operates a moving company in Cleveland, TN. Taxpayer provided copies of receipts for fuel purchases.	
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>	
IRC Section: §162	
Specific citations:	
<b>Taxpayer Position:</b> <i>(If applicable)</i>	
Unknown.	

**Taxpayer Name:** TAINORSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Utilities Expense

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	3,070.00	.00	3,070.00	See below
201412	2,736.00	.00	2,736.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Utilities are disallowed as a business expense.

*The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.*

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper  
Reference**

- |  |  |
|--|--|
| 1. Reconcile amount(s) per tax return to taxpayer's records.   |  |
| 2. Note journal entries (adjusting, general, etc.) of a significant nature and establish their correctness.  |  |
| 3. Inspect taxpayer's records for LUQ items and investigate as deemed warranted to ensure expense amount(s) are allowable.   |  |
| 4. Develop a test sample and analyze the appropriate records, as warranted, to ensure amounts are paid and allowable (be alert for personal and non-deductible items). |  |

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. He provided copies of utility bills for electricity and water for 2012 for the address 318 Farmway Dr., Cleveland, TN. However, the tax return has a different address where the taxpayer claimed Business Use of the Home. Taxpayer did not provide an explanation for electricity and water at the Farmway Dr address as an ordinary and necessary business expense for his moving company.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*

IRC Section: § 162, 212

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TAILORSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/27

<b>Amortization Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	1,667.00	.00	1,667.00	See below
201412	1,666.00	.00	1,666.00	See below
201512	1,667.00	.00	1,667.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow the Amortization Expense.				
<i>The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.</i>				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Reconcile expense per return to the Taxpayer's records.				
2. Identify journal entries (adjusting, general, etc.) of a significant nature and establish their correctness.				
3. Scrutinize the account. Note and explain any LUQ items.				
4. Test check invoices on a selected basis. Test check may be expanded dependent upon initial results. Look for personal, capital and/or non-deductible items.				
5. Review the account to determine that all monthly entries are posted.				
6. Review account for reversal of prior year accruals and correctness of current year accruals.				
7. Follow up on adjustments that originate as a result of prior audit report.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer did not provide any substantiation or records to support the amortization expense claimed on the return. The item is disallowed as an ordinary and necessary business expense.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TAI...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Advertising Expense Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	19,099.00	5,320.00	13,779.00	501-2
201412	34,775.00	.00	34,775.00	See below
201512	58,351.00	.00	58,351.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Issue is adjusted to the substantiated amounts.

*The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.*

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper Reference**

1. Reconcile the amount(s) per return to Taxpayer's records.
2. Determine that significant recurring monthly entries are posted and investigate any variances.
3. Determine that significant Adjusting Journal Entries are valid advertising expenses.
4. Test check vouchers on a selected basis depending on the materiality of the account and amount. Test check can be expanded dependent upon the initial results. Look for personal, capital and/or non-deductible items.
5. For an accrual taxpayer, review account for reversal of prior year accruals and the correctness of the current year accruals.
6. Follow up adjustments that originated as a result of a prior audit report.
7. If the account contains expenditures for gifts or entertainment, review for compliance with IRC Section 274.
8. Determine if the account contains material items that may be a charitable contribution or capital expenditure.
9. Analyze advertising contracts and verify that economic performance tests are met.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. Advertising expenses must bear a reasonable relationship to the business activity. Business records should show gross income, deductions, and credit. Records should also be supported with contracts sales slips, invoices, receipts, canceled checks, etc.

Taxpayer did not provide complete substantiation for the advertising deduction.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*

IRC Section: § 162, 212

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TAI WERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Website Fees Expense Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	4,200.00	.00	4,200.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<i>The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.</i>				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Reconcile the amount(s) per return to Taxpayer's records.				
2. Determine that significant recurring monthly entries are posted and investigate any variances.				
3. Determine that significant Adjusting Journal Entries are valid advertising expenses.				
4. Test check vouchers on a selected basis depending on the materiality of the account and amount. Test check can be expanded dependent upon the initial results. Look for personal, capital and/or non-deductible items.				
5. For an accrual taxpayer, review account for reversal of prior year accruals and the correctness of the current year accruals.				
6. Follow up adjustments that originated as a result of a prior audit report.				
7. If the account contains expenditures for gifts or entertainment, review for compliance with IRC Section 274.				
8. Determine if the account contains material items that may be a charitable contribution or capital expenditure.				
9. Analyze advertising contracts and verify that economic performance tests are met.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Website fees are an ordinary and necessary business expense. However, business records should show gross income, deductions, and credit. Records should also be supported with sales slips, invoices, receipts, canceled checks, etc.				
Taxpayer did not provide substantiation for the website fees deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TAILORSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Self Employment Health Insurance Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	16,655.00	.00	16,655.00	See below
201512	8,334.00	.00	8,334.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Issue is adjusted to the substantiated amounts.

*The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.*

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper  
Reference**

- |   |  |
|---|--|
| 1. Check to see if there was a net profit for the year for self-employed activities.  |  |
| 2. Check that the proper limitation amounts were applied for tax years that began prior to 2003.  |  |
| 3. Check to see if the taxpayer is eligible for coverage under any subsidized health plan maintain by the taxpayer's employer or the taxpayer spouse's employer |  |
| 4. Taxpayer can claim the insurance for self, spouse, and dependents.   |  |
| 5. Verify that the taxpayer has proof of insurance payments made and a copy of the insurance policy that shows who is covered.                                  |  |

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. Health insurance premiums paid on behalf of the sole proprietor are deducted as an adjustment to income. The insurance can cover the proprietor, and his dependents. The deduction is limited to the net profit from Schedule C minus the deductions for self-employment tax and for contributions for the sole proprietor's benefit to a retirement plan.

Taxpayer did not provide any substantiation to support the health insurance deduction.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)*

IRC Section: §162(l)

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

PT

**BRADLEY URGENT CARE**

BRADLEY URGENT CARE  
6021 W. 11TH ST. #101  
DENVER, CO 80202  
303.733.1100

Look for 4801  
discount for 4801  
form 4801

**Sale**

TX 48014801

Payment Method: *SAVED*

Amount: \$ 120.00  
Tax: \$ 0.00  
Total: \$ 120.00

11/17/14

12:13:00

12:13:00

12:13:00

12:13:00

12:13:00

12:13:00

12:13:00

11/17/14  
\$ 120.00  
ph.  
Thank You  
*Ker*



**Taxpayer Name:** TANNERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Contract Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	8,929.00	428.68	8,500.32	See below
201512	6,890.00	.00	6,890.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<i>The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.</i>				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Reconcile expense per return to the Taxpayer's records.				
2. Identify journal entries (adjusting, general, etc.) of a significant nature and establish their correctness.				
3. Scrutinize the account. Note and explain any LUQ items.				
4. Test check invoices on a selected basis. Test check may be expanded dependent upon initial results. Look for personal, capital and/or non-deductible items.				
5. Review the account to determine that all monthly entries are posted.				
6. Review account for reversal of prior year accruals and correctness of current year accruals.				
7. Follow up on adjustments that originate as a result of prior audit report.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Contract labor is an ordinary and necessary business expense. However, if \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. Taxpayer provided limited substantiation to support the Contract Labor deduction in 2014 and no substantiation was provided for 2015.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

## 2014 Sch C - Contract Labor

**Taxpayer:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/2017

For S/D (Source Document) column, utilize the following abbreviations:  
 cc - canceled check    st - statement    ot - oral testimony    r - receipt

Paid To	cc	Per Return	Per Exam	Adjustment	Comments
Per Return		8,929.00			
Oz Moving and Storage	r		428.68		6/21/14
<b>Total</b>		8,929.00	429.00	8,500.00	

**Comments:**

Payments made for contract labor are ordinary and necessary business expenses. Any individual paid more than \$600 should receive a Form 1099 for the total amount of services provided during the year. Business records should show gross income, deductions, and credits. Records should also be supported with sales slips, invoices, receipts, canceled checks, etc. Taxpayer provided limited substantiation to support the contract labor deduction.

# ORDER FOR SERVICE

(Indicate whether Hourly or Weight Basis)

HOURLY BASIS  WEIGHT BASIS

## OZ MOVING & STORAGE

101 LINCOLN AVE.  
BRONX, NY 10454  
(212) 452-8683

CARRIER'S REG. NUMBER

STORAGE INC.

AFFIC CONTROL MGR. AT ABOVE ADDRESS OR TELEPHONE NUMBER REFER TO THIS REG. NO.

AMOUNT: \$428.68

CONSIGNEE TO <u>CRISTINA DILLON</u>	ADDRESS <u>BRONX EN CLIENT TRUCK</u>
FLOOR	ELEV.
CITY <u>NEW YORK</u>	STATE <u>NY</u>

MOVING CARRIER (IF ANY)	ADDRESS	CITY	STATE	PHONE
-------------------------	---------	------	-------	-------

BE USED IN WEIGHING SHIPMENT	PACKING DATE REQUESTED	AGREED PICK UP DATE OR PERIOD OF TIME	AGREED DELIVERY DATE OR PERIOD OF TIME
		EARLIEST	LATEST

### SERVICES TO BE PERFORMED ON THIS SHIPMENT

HOURLY BASIS:

1 Van(s) 3.5 Hours at \$ 110 per hour

1 Van(s) 1 Hours at \$    per hour

Travel Time    Hours at \$    per hour

WEIGHT BASIS:

MILES    WEIGHT    RATE PER CWT   

Packing	<input type="checkbox"/>	<input type="checkbox"/>
Unpacking	<input type="checkbox"/>	<input type="checkbox"/>
Extra P	<input type="checkbox"/>	<input type="checkbox"/>
Extra D	<input type="checkbox"/>	<input type="checkbox"/>
Piano	<input type="checkbox"/>	<input type="checkbox"/>
Crating	<input type="checkbox"/>	<input type="checkbox"/>
Uncrating	<input type="checkbox"/>	<input type="checkbox"/>
Storage	<input type="checkbox"/>	<input type="checkbox"/>
WAREHOUSE	<input type="checkbox"/>	<input type="checkbox"/>
Exclusiv	<input type="checkbox"/>	<input type="checkbox"/>
Space R	<input type="checkbox"/>	<input type="checkbox"/>
Expedite	<input type="checkbox"/>	<input type="checkbox"/>
Applian	<input type="checkbox"/>	<input type="checkbox"/>
Air Con	<input type="checkbox"/>	<input type="checkbox"/>
Washer	<input type="checkbox"/>	<input type="checkbox"/>

*Handwritten: Labor*

CITY \_\_\_\_\_ STATE \_\_\_\_\_ PHONE \_\_\_\_\_

SHIPPER DOES NOT  DOES  Request Notification Charges At:

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ PHONE \_\_\_\_\_

Check if Summary of Information for Shippers of Household Goods given.

### VALUATION - HOURLY BASIS

UNLESS THE SHIPPER EXPRESSLY RELEASES THE SHIPMENT TO A VALUE OF 30 CENTS PER POUND PER ARTICLE, THE CARRIER'S MAXIMUM LIABILITY FOR LOSS AND DAMAGE SHALL BE EITHER THE LUMP SUM VALUE DECLARED BY THE SHIPPER OR \$2500, WHICHEVER IS GREATER.

THE SHIPMENT WILL MOVE SUBJECT TO THE RULES AND CONDITIONS OF THE CARRIER'S TARIFF. SHIPPER HEREBY RELEASES THE ENTIRE SHIPMENT TO A VALUE NOT EXCEEDING

\$ 3000 per article  
(To Be Completed by Person Signing Order)

### VALUATION - WEIGHT BASIS

UNLESS THE SHIPPER EXPRESSLY RELEASES THE SHIPMENT TO A VALUE OF 60 CENTS PER POUND PER ARTICLE, THE CARRIER'S MAXIMUM LIABILITY FOR LOSS AND DAMAGE SHALL BE EITHER THE LUMP SUM VALUE DECLARED BY THE SHIPPER OR AN AMOUNT EQUAL TO \$1.25 FOR EACH POUND OF WEIGHT IN THE SHIPMENT, WHICHEVER IS GREATER.

THE SHIPMENT WILL MOVE SUBJECT TO THE RULES AND CONDITIONS OF THE CARRIER'S TARIFF. SHIPPER HEREBY RELEASES THE ENTIRE SHIPMENT TO A VALUE NOT EXCEEDING

\$ \_\_\_\_\_  
(To Be Completed by Person Signing Order)

TOTAL PROBABLE COST CHARGES \$ \_\_\_\_\_

APPLICABLE ONLY IF PROBABLE COST OF SERVICES HAS BEEN GIVEN BY CARRIER TO SHIPPER.  
MAXIMUM AMOUNT REQUIRED TO BE PAID ON DELIVERY:  
On Hourly Rated Shipments, Probable Charge Plus 25%  
On Weight Rated Shipments, Probable Charge Plus 10%

PAYMENT IN CASH OR CERTIFIED CHECK, MONEY ORDER, TRAVELER'S CHECK OR CASHIER'S CHECK.

### ADDITIONAL INFORMATION:

THE SHIPPER (OR HIS REPRESENTATIVE) BY HIS SIGNATURE HEREBY ORDERS THE SERVICES OUTLINED HEREIN TO BE PERFORMED ON HIS BEHALF; AND FURTHER ACKNOWLEDGES THAT ALL ARRANGEMENTS REGARDING CONTACT WHILE EN ROUTE AND/OR AT DESTINATION, METHOD OF PAYMENT, AND NOTIFICATION OF CHARGES ARE AS DESIGNATED BY HIM.

06/21/16 X [Signature]  
DATE SHIPPER OR HIS REPRESENTATIVE

### BILLING INFORMATION

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_

ATTENTION OF: \_\_\_\_\_

THE CARRIER, BY SIGNATURE OF ITS REPRESENTATIVE, HEREBY ACCEPTS THIS ORDER FOR SERVICES AND AGREES TO PERFORM THE SERVICES OUTLINED HEREIN AND TO COMPLY WITH SUCH OTHER ARRANGEMENTS AS ARE SPECIFIED.

06/21/16 X [Signature]  
DATE CARRIER'S REPRESENTATIVE

**Taxpayer Name:** TAILORSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Business Use of Home</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	620.00	.00	620.00	See below
201412	1,032.00	.00	1,032.00	See below
201512	750.00	.00	750.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow Business Use of the Home.				
<i>The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.</i>				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Reconcile amount to return.				
2. Determine business purpose of the home office and square footage used for business activities.				
3. Determine type of business (e.g. daycare, space used for inventory only, etc.).				
4. Determine whether taxpayer is a legally licensed daycare provider.				
5. Validate hours of operation for daycare businesses, if applicable.				
6. Determine business percentage of home use (e.g. based on square footage, hours of operation, etc.).				
7. Examine cancelled checks and receipts to validate expenses incurred (office supplies, phone line, mortgage interest, casualty loss, and real estate taxes).				
8. Calculate allowable deductions for mortgage interest, casualty loss, and real estate taxes (business percentage * total expenses).				
9. Ensure that "Schedule A" amounts equal the difference between total expenses and calculated allowable deductions.				
10. Examine cancelled checks and receipts to validate additional expenses deducted (insurance, repairs, utilities).				
11. Check depreciation method to determine compliance with regulations and consistency with prior years.				
12. Determine correct basis for building and apply correct depreciation percentage to calculate deduction allowable.				
13. Determine total allowable deduction for current year vs. amount of carry-over.				
14. Compare total allowable deduction for current year and amount of carry-over to tax return.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
To qualify for deductions, the area in the home used for business must be used regularly and exclusively as the principal place of business. Any personal use of the space, no matter how small, means the exclusive use test is failed. No tour of business was completed to observe the business use area. Additionally, depreciation is only allowed for home owners. Taxpayer did not own the business address listed on the tax return of 848 Grove Circle Avenue, Cleveland, TN.				

**Taxpayer Name:** TAILORSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Business Use of Home</b>	
<b>Law:</b>	<i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>
IRC Section:	§162, 212 & 167
Specific citations:	
<b>Taxpayer Position:</b>	<i>(If applicable)</i>
Unknown.	

**Taxpayer Name:** TAINERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

Interest Income				
Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	.00	11.00	11.00	507-2
201412	.00	12.00	12.00	507-3
201512	.00	12.00	12.00	507-4
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amounts not previously on the tax returns.				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Determine whether all income was deposited in a financial institution. Consider the following: a) Were business and personal expenses kept separately b) Is all income deposited and to which account c) How are expenses paid (checks, cash, etc.) and who writes checks.				
2. Consider the taxpayer(s)' type of business, how the taxpayer(s) get paid and with what regularity. Check to see if the funds are paid by direct deposit, payroll check, and/or other forms of payment.				
3. Inquire if taxpayer uses a safe deposit box. If so, inquire about the contents and location.				
4. Determine taxpayer's personal living expenses and compare to income for reasonableness.				
5. Evaluate additional income generated from transactions (related family, bartering, loans, etc.).				
6. Determine how taxpayer accounts for the income listed on the return (bank accts, sales invoices, etc.).				
7. Look for industry-specific trends and consider seasonal income.				
8. Reconcile beginning and ending bank balances for all accounts.				
9. Calculate and compare Cash-T with taxpayer(s)' return.				
10. If warranted, consider bank deposit analysis or other indirect method.				
11. Reconcile variances.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received interest income and did not include the amounts on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: 61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

IRPTRN25951729122014000000

\*(TY2014)

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DOCUMENT TYPE: 1099-INT  
PAYEE ENTITY DATA: 259-51-7291  
BRANDON C TANKERSLEY  
318 FARMWAY DR S E  
CLEVELAND  
STATE: TN ZIP: 37323-0000

NO SECOND NOTICE  
TAX EXMPT BOND CUSIP:

ACCOUNT NUMBER: 2548538  
PAYER ENTITY DATA: 621580076  
U.S. BANK HOME MORTGAGE EQ. ACCEL. PROG.  
12500 E BELFORD AVE  
ENGLEWOOD CO 80112

FOREIGN COUNTRY OR US POSSESSION:  
FED TAX WH.....\$0  
INTEREST.....\$12+

\*\*\*\*\* TAXPAYER COPY \*\*\*\*\*



**Taxpayer Name:** TANNERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

Cancellation of Debt Income				
Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	.00	2,051.00	2,051.00	508-2
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amounts not previously on the return.				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Determine whether all income was deposited in a financial institution. Consider the following: a) Were business and personal expenses kept separately b) Is all income deposited and to which account c) How are expenses paid (checks, cash, etc.) and who writes checks.				
2. Consider the taxpayer(s)' type of business, how the taxpayer(s) get paid and with what regularity. Check to see if the funds are paid by direct deposit, payroll check, and/or other forms of payment.				
3. Inquire if taxpayer uses a safe deposit box. If so, inquire about the contents and location.				
4. Determine taxpayer's personal living expenses and compare to income for reasonableness.				
5. Evaluate additional income generated from transactions (related family, bartering, loans, etc.).				
6. Determine how taxpayer accounts for the income listed on the return (bank accts, sales invoices, etc.).				
7. Look for industry-specific trends and consider seasonal income.				
8. Reconcile beginning and ending bank balances for all accounts.				
9. Calculate and compare Cash-T with taxpayer(s)' return.				
10. If warranted, consider bank deposit analysis or other indirect method.				
11. Reconcile variances.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
The amount of a debt, no longer owed is taxable income. Taxpayer did not include the amount of Cancellation of Debt received on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: §61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



IRPTRN25951729122014000000

\*(TY2014)

PAGE 0003 OF 0008

DOCUMENT TYPE: 1099-C

PAYEE ENTITY DATA: 259-51-7291  
BRANDON C TANKERSLEY  
318 FARMWAY DR SE  
CLEVELAND  
STATE: TN ZIP: 37323-9420

TRANSACTION DATE: 03-07-2014

ACCOUNT NUMBER: 4269320050365105  
PAYER ENTITY DATA: 541719855  
CAPITAL ONE BANK USA N A  
PO BOX 30249  
SALT LAKE CITY UT 84130

PERSONAL LIABILITY (BELOW):  
BOX CHKD - PERSONALLY LIABLE  
IDENTIFIABLE EVENT CODE (BELOW):  
CREDITOR'S DEBT COLLECTION POLICY

DEBT DESCRIPTION: CREDIT CARDS AND LOANS  
AMT DBT CN.....\$2,051+

\*\*\*\*\* TAXPAYER COPY \*\*\*\*\*

**Taxpayer Name:** TAI...RSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Net Operating Loss (NOL) Carryforward Deduction</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	(17,924.00)	.00	17,924.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow the NOL Carryforward completely; taxpayer did not substantiate the issue.				
<i>The following techniques are not intended to be all-inclusive nor are they mandatory steps to be followed. Judgment should be used in selecting the techniques that apply to each taxpayer.</i>				
<b>Audit Steps:</b> <i>(Document audit steps taken or to be taken.)</i>				<b>Workpaper Reference</b>
1. Utilize the workbooks available under Special Applications: <a href="http://mysbse.web.irs.gov/exam/rgs/sa/default.aspx">http://mysbse.web.irs.gov/exam/rgs/sa/default.aspx</a>				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Based on information discovered during the exam, and adjustments made to the tax returns for 2012, 2014, and 2015, the NOL Carryforward from 2013 is disallowed. No documentation to support the NOL Carryforward was provided to the examiner.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 172				
Specific citations:				
Taxpayer Position: <i>(If applicable)</i>				
Unknown.				

Form 1040 Department of the Treasury—Internal Revenue Service (99) U.S. Individual Income Tax Return 2013 OMB No. 1545-0047 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2013, or other tax year beginning 2013, ending 2013, See separate instructions.

Your first name and initial Brandon Last name Tankersley Your social security number 259-51-7291

If a joint return, spouse's first name and initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. 848 Grove Circle Avenue Apt. no. Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). Cleveland TN 37311 Presidential Election Campaign

Foreign country name Foreign province/state/county Foreign postal code You Spouse

Filing Status 1 [X] Single 4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. 2 [ ] Married filing jointly (even if only one had income) 5 [ ] Qualifying widow(er) with dependent child 3 [ ] Married filing separately. Enter spouse's SSN above and full name here.

Exemptions 6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a 6b [ ] Spouse Boxes checked on 6a and 6b 1

Table with 4 columns: (1) First name, Last name, (2) Dependent's social security number, (3) Dependent's relationship to you. Includes instructions for dependents and a total count of 1.

d Total number of exemptions claimed 1

Income section table with rows 7-22. Includes taxable interest, dividends, and total income of -17,924.

Adjusted Gross Income section table with rows 23-37. Includes educator expenses, health savings account deduction, and adjusted gross income of -17,924.

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	-17,924
39a	Check <input type="checkbox"/> You were born before January 2, 1949, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1949, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	9,647
41	Subtract line 40 from line 38	41	-27,571
42	Exemptions. If line 38 is \$150,000 or less, multiply \$3,900 by the number on line 6d. Otherwise, see instructions	42	3,900
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	0
44	Tax (see instr.). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44	0
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Add lines 44 and 45	46	
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 19	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit. Attach Schedule 8812, if required	51	
52	Residential energy credits. Attach Form 5695	52	
53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	0

Standard Deduction for—

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others: Single or Married filing separately, \$6,100

Married filing jointly or Qualifying widow(er), \$12,200

Head of household, \$8,950

Other Taxes

56	Self-employment tax. Attach Schedule SE	56	
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59a	Household employment taxes from Schedule H	59a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	500
60	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	60	
61	Add lines 55 through 60. This is your total tax	61	500

Payments

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099	62	
63	2013 estimated tax payments and amount applied from 2012 return	63	
64a	Earned income credit (EIC)	64a	
b	Nontaxable combat pay election <input type="checkbox"/> 64b		
65	Additional child tax credit. Attach Schedule 8812	65	
66	American opportunity credit from Form 8863, line 8	66	
67	Reserved	67	
68	Amount paid with request for extension to file	68	
69	Excess social security and tier 1 RRTA tax withheld	69	
70	Credit for federal tax on fuels. Attach Form 4136	70	
71	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	71	
72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	

Refund

Direct deposit? See instructions.

73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	
b	Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d	Account number <input type="text"/>		
75	Amount of line 73 you want applied to your 2014 estimated tax	75	

Amount You Owe

76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions	76	500
77	Estimated tax penalty (see instructions)	77	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)?  Yes. Complete below.  No

Designee's name: **Joe P. Honey** Personal identification number (PIN) **11291**

Phone no. **423-553-7220**

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature: **Joe P. Honey** Date: **06/11/14** Your occupation: **Business Owner** Daytime phone number: **423-553-7220**

Spouse's signature: **Joe P. Honey** Date: **06/11/14** Spouse's occupation: **Business Owner**

Paid

Print/preparer's name: **Joe P. Honey** Preparer's signature: **Joe P. Honey** Date: **06/11/14** Check  if self-employed PTIN: **P00747663**

Preparer Use Only

Firm's name: **Joe P. Honey, CPA** Firm's EIN: **26-0722835**

Firm's address: **419 North Market St Ste 200 Chattanooga TN 37405-3974** Phone no.: **423-553-7220**

**SCHEDULE A  
(Form 1040)**

**Itemized Deductions**

OMB No. 1545-0074

**2013**

Attachment Sequence No. **07**

▶ Information about Schedule A and its separate instructions is at [www.irs.gov/schedulea](http://www.irs.gov/schedulea).

▶ Attach to Form 1040.

Department of the Treasury  
Internal Revenue Service (99)

Name(s) shown on Form 1040

Your social security number

**Brandon Tankersley**

**259-51-7291**

<b>Caution.</b> Do not include expenses reimbursed or paid by others.						
<b>Medical and Dental Expenses</b>	1	Medical and dental expenses (see instructions)	1			
	2	Enter amount from Form 1040, line 38 <input type="text" value="2"/>	2			
	3	Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1949, multiply line 2 by 7.5% (.075) instead	3			
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			
<b>Taxes You Paid</b>	5 State and local (check only one box):		5			
	a	<input type="checkbox"/> Income taxes, or				
	b	<input type="checkbox"/> General sales taxes				
	6	Real estate taxes (see instructions)	6	820		
	7	Personal property taxes	7			
	8	Other taxes. List type and amount ▶	8			
	9	Add lines 5 through 8	9		820	
	<b>Interest You Paid</b>	10	Home mortgage interest and points reported to you on Form 1098	10	8,013	
		11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11		
12		Points not reported to you on Form 1098. See instructions for special rules	12			
13		Mortgage insurance premiums (see instructions)	13	814		
14		Investment interest. Attach Form 4952 if required. (See instructions.)	14			
15		Add lines 10 through 14	15		8,827	
<b>Gifts to Charity</b>		16	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	16		
	17	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17			
	18	Carryover from prior year	18			
	19	Add lines 16 through 18	19			
<b>Casualty and Theft Losses</b>	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20			
<b>Job Expenses and Certain Miscellaneous Deductions</b>	21	Unreimbursed employee expenses--job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶	21			
	22	Tax preparation fees	22			
	23	Other expenses--investment, safe deposit box, etc. List type and amount ▶	23			
	24	Add lines 21 through 23	24			
	25	Enter amount from Form 1040, line 38 <input type="text" value="25"/>	25			
	26	Multiply line 25 by 2% (.02)	26			
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27			
<b>Other Miscellaneous Deductions</b>	28	Other--from list in instructions. List type and amount ▶	28			
<b>Total Itemized Deductions</b>	29	Is Form 1040, line 38, over \$150,000?	29			
		<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			9,647	
		<input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.				
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>				

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

**2013**

Attachment Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

▶ For information on Schedule C and its instructions, go to [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor <b>Brandon Tankersley</b>		Social security number (SSN) <b>259-51-7291</b>
<b>A</b> Principal business or profession, including product or service (see instructions) <b>Moving Service</b>	<b>B</b> Enter code from instructions ▶ <b>484110</b>	
<b>C</b> Business name. If no separate business name, leave blank. <b>Cleveland Moving dba Southeast Movi</b>	<b>D</b> Employer ID number (EIN), (see instr.)	
<b>E</b> Business address (including suite or room no.) ▶ <b>848 Grove Circle Avenue</b> City, town or post office, state, and ZIP code <b>Cleveland TN 37311</b>		
<b>F</b> Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
<b>G</b> Did you "materially participate" in the operation of this business during 2013? If "No," see instructions for limit on losses	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<b>H</b> If you started or acquired this business during 2013, check here	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>I</b> Did you make any payments in 2013 that would require you to file Form(s) 1099? (see instructions)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>J</b> If "Yes," did you or will you file required Forms 1099?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part I Income			
<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	<b>1</b>	<b>174,885</b>
<b>2</b> Returns and allowances		<b>2</b>	
<b>3</b> Subtract line 2 from line 1		<b>3</b>	<b>174,885</b>
<b>4</b> Cost of goods sold (from line 42)		<b>4</b>	<b>5,781</b>
<b>5</b> Gross profit. Subtract line 4 from line 3		<b>5</b>	<b>169,104</b>
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		<b>6</b>	
<b>7</b> Gross income. Add lines 5 and 6		<b>7</b>	<b>169,104</b>

Part II Expenses		Enter expenses for business use of your home only on line 30.			
<b>8</b> Advertising	<b>8</b>	<b>38,355</b>	<b>18</b> Office expense (see instructions)	<b>18</b>	<b>680</b>
<b>9</b> Car and truck expenses (see instructions)	<b>9</b>	<b>59,921</b>	<b>19</b> Pension and profit-sharing plans	<b>19</b>	
<b>10</b> Commissions and fees	<b>10</b>	<b>3,750</b>	<b>20</b> Rent or lease (see instructions):		
<b>11</b> Contract labor (see instructions)	<b>11</b>	<b>3,500</b>	<b>a</b> Vehicles, machinery, and equipment	<b>20a</b>	<b>1,162</b>
<b>12</b> Depletion	<b>12</b>		<b>b</b> Other business property	<b>20b</b>	
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	<b>13</b>		<b>21</b> Repairs and maintenance	<b>21</b>	<b>7,774</b>
<b>14</b> Employee benefit programs (other than on line 19)	<b>14</b>		<b>22</b> Supplies (not included in Part III)	<b>22</b>	
<b>15</b> Insurance (other than health)	<b>15</b>	<b>9,872</b>	<b>23</b> Taxes and licenses	<b>23</b>	<b>560</b>
<b>16</b> Interest:			<b>24</b> Travel, meals, and entertainment:		
<b>a</b> Mortgage (paid to banks, etc.)	<b>16a</b>		<b>a</b> Travel	<b>24a</b>	<b>3,905</b>
<b>b</b> Other	<b>16b</b>		<b>b</b> Deductible meals and entertainment (see instructions)	<b>24b</b>	<b>3,675</b>
<b>17</b> Legal and professional services	<b>17</b>		<b>25</b> Utilities	<b>25</b>	<b>2,627</b>
<b>28</b> Total expenses before expenses for business use of home. Add lines 8 through 27a			<b>26</b> Wages (less employment credits)	<b>26</b>	
<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7			<b>27a</b> Other expenses (from line 48)	<b>27a</b>	<b>51,247</b>
<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30			<b>b</b> Reserved for future use	<b>27b</b>	
<b>31</b> Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.			<b>28</b>	<b>28</b>	<b>187,028</b>
<b>32</b> If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1 see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.			<b>29</b>	<b>29</b>	<b>-17,924</b>
			<b>30</b>	<b>30</b>	<b>0</b>
			<b>31</b>	<b>31</b>	<b>-17,924</b>
			<b>32a</b>	<input checked="" type="checkbox"/> All investment is at risk.	
			<b>32b</b>	<input type="checkbox"/> Some investment is not at risk.	

Brandon Tankersley

Schedule C (Form 1040) 2013 Moving Service

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)		
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input type="checkbox"/> No	
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	0
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs See Statement 1	39	5,781
40	Add lines 35 through 39	40	5,781
41	Inventory at end of year	41	0
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42	5,781

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43	When did you place your vehicle in service for business purposes? (month, day, year)	
44	Of the total number of miles you drove your vehicle during 2013, enter the number of miles you used your vehicle for:	
	a Business b Commuting (see instructions) c Other	
45	Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use?	<input type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	b If "Yes," is the evidence written?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Telephone Expense	7,626
Labor	8,000
Damages	730
Merchant Fees	660
Cable	1,920
Uniform	1,401
Credit Card fees	2,352
Towing Expense	2,425
Fuel on Sterling	21,994
Tires on Sterling	1,532
Tags on Sterling	940
Amortization	1,667
48 Total other expenses. Enter here and on line 27a	51,247

## Expenses for Business Use of Your Home

OMB No. 1545-0074

Form **8829**

▶ File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

2013

Department of the Treasury  
Internal Revenue Service (99)

▶ Information about Form 8829 and its separate instructions is at [www.irs.gov/form8829](http://www.irs.gov/form8829).

Attachment Sequence No. **176**

Name(s) of proprietor(s)

Your social security number

**Brandon Tankersley**

**259-51-7291**

### Part I Part of Your Home Used for Business

1 Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)	1	225
2 Total area of home	2	1500
3 Divide line 1 by line 2. Enter the result as a percentage	3	15.00%
<b>For daycare facilities not used exclusively for business, go to line 4. All others go to line 7.</b>		
4 Multiply days used for daycare during year by hours used per day	4	hr.
5 Total hours available for use during the year (365 days x 24 hours) (see instructions)	5	8,760 hr.
6 Divide line 4 by line 5. Enter the result as a decimal amount	6	
7 Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	15.00%

### Part II Figure Your Allowable Deduction

8 Enter the amount from Schedule C, line 29, plus any gain derived from the business use of your home and shown on Schedule D or Form 4797, minus any loss from the trade or business not derived from the business use of your home and shown on Schedule D or Form 4797. See instructions. See instructions for columns (a) and (b) before completing lines 9-21.	8	-17,924
9 Casually losses (see instructions)	9	
10 Deductible mortgage interest (see instructions)	10	
11 Real estate taxes (see instructions)	11	
12 Add lines 9, 10, and 11	12	
13 Multiply line 12, column (b) by line 7	13	
14 Add line 12, column (a) and line 13	14	
15 Subtract line 14 from line 8. If zero or less, enter -0-	15	0
16 Excess mortgage interest (see instructions)	16	
17 Insurance	17	
18 Rent	18	
19 Repairs and maintenance	19	
20 Utilities	20	
21 Other expenses (see instructions)	21	
22 Add lines 16 through 21	22	
23 Multiply line 22, column (b) by line 7	23	
24 Carryover of operating expenses from 2012 Form 8829, line 42	24	
25 Add line 22, column (a), line 23, and line 24	25	
26 Allowable operating expenses. Enter the smaller of line 15 or line 25	26	0
27 Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	0
28 Excess casualty losses (see instructions)	28	
29 Depreciation of your home from line 41 below	29	619
30 Carryover of excess casualty losses and depreciation from 2012 Form 8829, line 43	30	
31 Add lines 28 through 30	31	619
32 Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	0
33 Add lines 14, 26, and 32	33	
34 Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 (see instructions)	34	
35 Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	35	0

### Part III Depreciation of Your Home

36 Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	161,000
37 Value of land included on line 36	37	
38 Basis of building. Subtract line 37 from line 36	38	161,000
39 Business basis of building. Multiply line 38 by line 7	39	24,150
40 Depreciation percentage (see instructions)	40	2.5640%
41 Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	619

### Part IV Carryover of Unallowed Expenses to 2014

42 Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	0
43 Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	619

For Paperwork Reduction Act Notice, see your tax return instructions.



# Depreciation and Amortization

(Including Information on Listed Property)

OMB No. 1545-0172

## 2013

Attachment Sequence No. **179**

Form **4562**

Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

**Brandon Tankersley**

Identifying number

**259-51-7291**

Business or activity to which this form relates

**Moving Service**

**Part I Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	500,000
2 Total cost of section 179 property placed in service (see instructions)	2	6,707
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
Sterling Engine	6,707	6,707
7 Listed property. Enter the amount from line 29		
7		
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	6,707
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	6,707
10 Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	0
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0
13 Carryover of disallowed deduction to 2014. Add lines 9 and 10, less line 12	▶ 13	6,707

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2013	17	0
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶ <input type="checkbox"/>	

**Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	

**Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L
b 12-year			12 yrs.		S/L
c 40-year			40 yrs.	MM	S/L

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	▶ 23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2013)

**Part V Listed Property** (include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A--Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

24a		Do you have evidence to support the business/investment use claimed?		24b		If "Yes," is the evidence written?				
		Yes	No			Yes	No			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
Type of property (list vehicles first)	Date placed in service	Business/investment use percentage	Cost or other basis	Basis for depreciation (business/investment use only)	Recovery period	Method/Convention	Depreciation deduction	Elected section 179 cost		
25	Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25			
26	Property used more than 50% in a qualified business use:									
	See Statement 2									
		%								
		%								
27	Property used 50% or less in a qualified business use:									
		%				S/L-				
		%				S/L-				
28	Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28			
29	Add amounts in column (i), line 26. Enter here and on line 7, page 1							29		

**Section B--Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1		Vehicle 2		Vehicle 3		Vehicle 4		Vehicle 5		Vehicle 6	
30	Total business/investment miles driven during the year (do not include commuting miles)		56,716		47,426							
31	Total commuting miles driven during the year											
32	Total other personal (noncommuting) miles driven											
33	Total miles driven during the year. Add lines 30 through 32		56,716		47,426							
34	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35						X						
36						X						

**Section C--Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		X
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		X
39 Do you treat all use of vehicles by employees as personal use?		X
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		X
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		X

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a)	(b)	(c)	(d)	(e)	(f)
Description of costs	Date amortization begins	Amortizable amount	Code section	Amortization period or percentage	Amortization for this year
42	Amortization of costs that begins during your 2013 tax year (see instructions):				
43	Amortization of costs that began before your 2013 tax year				1,667
44	Total. Add amounts in column (f). See the instructions for where to report				1,667

Moving Service

Statement 1 - Schedule C, Cost of Goods Sold, Line 39 - Other Costs

<u>Description</u>	<u>Amount</u>
Boxes	\$ 4,420
Tools	1,361
Total	<u>\$ 5,781</u>

**Moving Service**

**Statement 2 - Form 4562, Line 26 - Property Used More Than 50% in a Qualified Business**

	<u>Date</u>	<u>Property Type</u> <u>Bus %</u>	<u>Cost</u>	<u>Dep Basis</u>	<u>Per</u>	<u>Method</u>	<u>Deduct</u>	<u>Sec 179</u>
Truck	1/01/10	100.00	\$	\$			\$	\$
2000 Chevy	5/01/07	100.00						
1999 Ford	10/01/07	100.00						
2000 Fraighliner	2/01/07	100.00						
2007 Tacoma	3/31/08	100.00						
1999 Ford Truck	1/01/11	100.00						
2004 International	1/01/09	100.00						
2002 International	6/01/12	100.00						
Total			\$ <u>0</u>	\$ <u>0</u>			\$ <u>0</u>	\$ <u>0</u>

Year Ending: December 31, 2013

259-51-7291

Brandon Tankersley  
848 Grove Circle Avenue  
Cleveland, TN 37311

### **NOL Carryback Election**

Under IRC Section 172(b)(3), the taxpayer elects to relinquish the entire carryback period with respect to the regular tax and AMT net operating losses incurred during the current tax year.

**Taxpayer Name:** TALKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Negligence or Disregard of the Rules or Regulation Lead Sheet 6662(c)

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	.00	3,971.40	3,971.40	
201412	.00	5,281.20	5,281.20	
201512	.00	7,072.00	7,072.00	

**Conclusion:** *(Reflects the final determination on the issue.)*

Negligence Penalty is applicable.

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper  
Reference**

The Negligence or Disregard of Rules or Regulations Penalty is 20 percent of the understatement as defined under IRC section 6662(a). (IRM 20.1.5.7).

	Penalty Determination Process	Yes	No	Instructions
1	<p style="text-align: center;"><b>General Process</b></p> <p>If a tax deficiency exists, the penalty for negligence or disregard of rules or regulations must be considered for each item adjusted.</p> <p>A. Did the taxpayer fail to make a reasonable attempt to comply with Internal Revenue laws?</p> <p>B. Did the taxpayer fail to exercise ordinary and necessary care in the preparation of the return?</p> <p>C. Did the taxpayer fail to keep adequate books and records or to substantiate items properly?</p> <p>D. Did the taxpayer's position lack a reasonable basis?</p>	X		<p>If the response to any of these questions is yes, the negligence penalty is applicable unless the taxpayer qualifies for the reasonable cause exception.</p> <p>If the response to all of these questions are no, then negligence penalty is not applicable. Regardless of whether the negligence penalty applies, go to Step 2 to determine if disregard of the rules and regulations applies.</p> <p><b>NOTE:</b> By definition, the negligence penalty may not be avoided by disclosure. Therefore, a distinction between the negligence and disregard of rules and regulations must be made. (IRM 20.1.5.7)</p>
2	<p style="text-align: center;"><b>Disregard of Rules and Regulations</b></p> <p>A. Was the taxpayer careless? (The taxpayer did not exercise reasonable diligence to determine the correctness of a position that is contrary to a rule or regulation.)</p> <p>B. Was the taxpayer reckless? (The taxpayer made little or no effort to determine whether a rule or regulation exists under the circumstances of the case.)</p> <p>C. Was the taxpayer's disregard intentional? (The taxpayer knew of the rule or regulation that is disregarded.)</p>	X		<p>If all answers in Step 2 are no, the disregard of rules or regulations penalty is not applicable. <i>Document relevant facts below.</i> If negligence is applicable, go to Step 4.</p> <p>If any of the questions in Step 2 are answered yes, go to Step 3 to consider "adequate disclosure."</p>

**Taxpayer Name:** TANNERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

**Negligence or Disregard of the Rules or Regulation Lead Sheet 6662(c)**

3	<p><b>Disregard of Rules and Regulations Exception - Adequate Disclosure</b></p> <p>A. Did the taxpayer file Form 8275 or 8275-R? (Regulation 1.6662-4(f))</p> <p>B. Does the item or position on the return under consideration have a realistic possibility of being sustained on its merits?</p>		x	<p>If the response to either of these questions is no, the disregard of rules and regulations portion of the penalty may be applicable unless the taxpayer qualifies for the reasonable cause exception.  <i>Document relevant facts below.</i></p>	
4	<p><b>Reasonable Cause</b></p> <p>Based upon the examiner's examination of this case does the taxpayer meet penalty relief? (IRM 20.1.5.6) (IRC 6664).</p>		x	<p>If no, the penalty will apply.</p> <p>If yes, the penalty will not apply.  <i>Document relevant facts below.</i></p>	

**Facts:** *(Document the relevant facts.)*

TP owns a moving company with manual books. He has a history of delinquent filing. Taxpayer has not shown up for any appointments at the Power of Attorney's office, despite all three IDR's issued requesting a tour of business to be scheduled. Further TP has not provided all the information requested in the IDRs. Based on the review of information that has been provided, taxpayer has substantially overstated expenses. His income is not sufficient to support his living expenses. According to Accurint, TP has a 2014 Sierra Crew Pick-up truck and a 2013 Mercedes C250. These vehicles are beyond his income shown on the tax return for 2014 - \$55,991 and 2015 \$21,087. Additionally, TP did not disclose to his preparer his current address, did not disclose he was no longer living in the property (318 Farmway Dr) for which he received the First Time Home Buyer's Credit (FTHBC), and is not a resident and is not operating his business out of the address (828 Grove Circle) listed on the return. Although he was not living at the FTHBC address, he did not include any rental income on the return, the house was not sold until October, 2015. TP has not provided RA adequate records of transactions.

**Law:** *(Tax law, regulations, court cases, and other authorities. If unagreed, add argument)*

IRC 6662(c)

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Substantial Understatement Penalty 6662(d)

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	.00	3,971.40	3,971.40	
201412	.00	5,281.20	5,281.20	
201512	.00	7,072.00	7,072.00	

**Conclusion:** *(Reflects the final determination on the issue.)*

Substantial understatement penalty is applicable.

**Audit Steps:** *(Document audit steps taken or to be taken.)*

**Workpaper  
Reference**

The Substantial Understatement penalty is 20 percent of the underpayment attributable to the substantial understatement of tax. The Substantial Understatement penalty is limited to underpayments of income tax.

1. Determine if there is an understatement of tax:

An understatement is the excess of the amount of:	<u>2012</u>	<u>2014</u>	<u>2015</u>
Tax required to be shown on the return:	22,923	33,960	34,715
The amount of tax shown on return, less EIC claimed:	3,703	8,554	3,480
less Addnl Child Tax Cr	<u>(637)</u>	<u>(1,000)</u>	<u>(1,000)</u>
Understatement:	19,857	26,406	35,360

Yes

**Note: A deficiency must exist in order to calculate the 6662(d) penalty**

2. Determine if the understatement is substantial. An understatement is substantial when it exceeds the **greater** of:

- 10% of the tax required to be shown on the return for a taxable year, or \$5,000.
- \$10,000 for corporations, other than S corporations and personal holding companies, for taxable years beginning on or before October 22, 2004)

Yes

3. For a corporation (other than S corporations and personal holding companies) whose tax year begins after October 22, 2004, a substantial understatement of tax exist if the amount of the understatement exceeds the **lesser** of:

- 10 percent of the tax required to be shown on the return for a taxable year (or, if greater, \$10,000), or
- \$10,000,000.

N/A

4. Consider any exceptions to the Substantial Understatement penalty. The amount of an understatement is reduced by that portion of the understatement attributable to:

- a. An item for which there is or was substantial authority (IRM 20.1.5.8.1.1) or
- b. An item the relevant facts of which were adequately disclosed and for which there is a reasonable basis. (IRM 20.1.5.8.1.2)

N/A

For tax year beginning after October 22, 2004, when determining a substantial understatement the amount of a reportable transaction is included. However, the substantial understatement penalty does not apply to any amount attributable to a reportable transaction understatement under IRC 6662A(e)(1)(A) and (B)



**Taxpayer Name:** TANNERSLEY, BRANDON      **Examiner:** Huddleston, Mary K  
**TIN:** 259-51-7291  
**Tax Form:** 1040      **Date:** 6/22/17  
**Tax Year (s):** 201212, 201412, 201512

**Substantial Understatement Penalty 6662(d)**

<p>5. Tax Shelter Exceptions: In general, no taxpayer may reduce an understatement for an item attributable to a tax shelter for taxable years beginning after October 22, 2004.</p> <p>A non-corporate taxpayer for taxable years beginning on or before October 22, 2004 may reduce the amount of an understatement with a tax shelter item when:</p> <ul style="list-style-type: none"> <li>• There is substantial authority for the treatment of the item, and</li> <li>• The taxpayer reasonably believed that the tax treatment of the item was more than likely the proper treatment. (6662(d)(2)(C)(i)(ii))</li> </ul> <p>A corporate taxpayer may reduce an understatement by a tax shelter amount if the corporation has reasonable cause and acted in good faith.</p>	<p align="center">N/A</p>
<p>6. Additional Documentation:</p> <ol style="list-style-type: none"> <li>Preparer penalties under IRC section 6694 must be considered and documented for all substantial understatement penalty cases. IRM 20.1.6 and 4.32</li> <li>Identify the penalty attributable to each adjustment in the report, explain each penalty by name, Code section, and calculated penalty amount.</li> <li>When the accuracy-related penalty attributable to a substantial understatement of income tax is not asserted due to the assertion of negligence or disregard of rules or regulations any unagreed report will include the substantial understatement penalty as an alternative position.</li> </ol>	<p align="center">N/A</p>
<p>7. Non-assertion of 6662(d) Penalty:</p> <ol style="list-style-type: none"> <li><b>When the understatement is substantial but the penalty is not asserted the examiner must explain the applicable exceptions and the reasons for the non-assertion.</b></li> <li>To ensure consistency in penalty development and determination the non assertion of the substantial understatement penalty is subject to managerial review.</li> </ol>	<p align="center">N/A</p>
<p><b>Facts:</b> <i>(Document the relevant facts.)</i></p>	
<p>TP owns a moving company with manual books. He has a history of delinquent filing. Taxpayer has not shown up for any appointments at the Power of Attorney's office, despite all three IDR's issued requesting a tour of business to be scheduled. Further TP has not provided all the information requested in the IDRs. Based on the review of information that has been provided, taxpayer has substantially overstated expenses. His income is not sufficient to support his living expenses. According to Accurint, TP has a 2014 Sierra Crew Pick-up truck and a 2013 Mercedes C250. These vehicles are beyond his income shown on the tax return for 2014 - \$55,991 and 2015 \$21,087. Additionally, TP did not disclose to his preparer his current address, did not disclose he was no longer living in the property (318 Farmway Dr) for which he received the First Time Home Buyer's Credit (FTHBC), and is not a resident and is not operating his business out of the address (828 Grove Circle) listed on the return. Although he was not living at the FTHBC address, he did not include any rental income on the return, the house was not sold until October, 2015. TP has not provided RA adequate records of transactions.</p> <p>Taxpayer substantially understated tax.</p>	
<p><b>Law:</b> <i>(Tax law, regulations, court cases, and other authorities. If unagreed, add argument)</i></p>	
<p>IRC 6662(d)</p>	

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

**Substantial Understatement Penalty 6662(d)**

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

# CDE 1040 Classification Checklist

259-51-7291

Primary SSN: 259-51-7291

Classifier SEID: 6LFHB Date: 6/30/2016 8:08:00 AM

Name: BRANDON TANKERSLEY

Reviewer SEID: TJFDB Date: 6/30/2016 1:57:00 PM

Tax Year: 201212

Activity Code: 276

Classification Results: Accepted As Filed

Selected for Exam

POD: 362 Chattanooga, TN

Type of Exam: Office  Field  EGC  1911

**Comments: (Reference Issue #, if applicable)**

Sch C - 21K in non-transcribed expenses. Expand issues if needed.

Issue #	Check Issue # if questionable:	Remarks:
<input type="checkbox"/> 61001	Filing Status	
Issue #	Exemptions:	Remarks:
<input type="checkbox"/> 51006a	Exemptions-Self/Spouse	
<input type="checkbox"/> 51006c	Dependent Children-Live with Taxpayer	
<input type="checkbox"/> 51006d	Dependent Children-Do Not Live with Taxpayer	
<input type="checkbox"/> 51006e	Dependent-Parents	
<input type="checkbox"/> 51006f	Dependent-Other	
Issue #	Income:	Remarks:
<input type="checkbox"/> 41007	Wages, Salaries and Tips, etc.	
<input type="checkbox"/> 41008	Interest Income	
<input type="checkbox"/> 41009	Dividends	
<input type="checkbox"/> 41010	State Refunds, Credits, or Offsets	
<input type="checkbox"/> 41011	Alimony Income	
<input type="checkbox"/> 4CGL	Schedule C Net Gain/Loss	
<input type="checkbox"/> 4D013	Capital Gain or Loss Where Sch-D Not Required	
<input type="checkbox"/> 41014	Other Gains or Losses From Form 4797	
<input type="checkbox"/> 41015	IRA Distributions	
<input type="checkbox"/> 41016	Pensions and Annuities	
<input type="checkbox"/> 4FGL	Schedule F Net Gain/Loss	
<input type="checkbox"/> 41019	Unemployment Compensation	
<input type="checkbox"/> 41020	Social Security Benefits	
<input type="checkbox"/> 41021	Other Income	

**CDE 1040 Classification Checklist**

Primary SSN: 259-51-7291

	Issue #	Adjustments to Income:	Remarks:
<input type="checkbox"/>	51023	IRA Deduction	
<input type="checkbox"/>	51024	Student Loan Interest Deduction	
<input type="checkbox"/>	51025	Archer MSA Deduction	
<input type="checkbox"/>	51026	Moving Expense	
<input type="checkbox"/>	51027	One Half of SE Tax	
<input type="checkbox"/>	51028	Self-Employed Health Insurance	
<input type="checkbox"/>	51029	Self-Employed SEP, Simple, and Qualified Plans	
<input type="checkbox"/>	51030	Penalty on Early Withdrawal of Savings	
<input type="checkbox"/>	51031	Alimony Paid	
<input type="checkbox"/>	51032	Educator Expenses	
<input type="checkbox"/>	51033	Tuition and Fees Deduction	
<input type="checkbox"/>	51035	Domestic Production Activities Deduction (F8903)	
<input type="checkbox"/>	51036	Standard Deduction	
<input type="checkbox"/>	51038	Certain Business Expenses from F2106(EZ)	
<input type="checkbox"/>	51039	Health Saving Account (F8889)	
	Issue #	Taxes, Credits, and Payments:	Remarks:
<input type="checkbox"/>	61041	Alternative Minimum Tax	
<input type="checkbox"/>	61043	Foreign Tax Credit	
<input type="checkbox"/>	61044	Child or Dependent Care Credit	
<input type="checkbox"/>	61045	Elderly or Disabled Credit	
<input type="checkbox"/>	61046	Education Credit - Issue Name must be a SSN	
<input type="checkbox"/>	61047	Rate Reduction Credit	
<input type="checkbox"/>	61048	Child Tax Credit	
<input type="checkbox"/>	61049	Adoption Credit	
<input type="checkbox"/>	61050	Other Credits Not From Forms 3800, 8396, 8801, 8859	
<input type="checkbox"/>	61050a	Other Credits From Form 3800	
<input type="checkbox"/>	61050b	Other Credits From Form 8801	
<input type="checkbox"/>	61050c	Other Credits From Form 8396	
<input type="checkbox"/>	61050d	Other Credits From Form 8859	
<input type="checkbox"/>	61050e	Section 45R Credit for Health Care Form 8941	
<input type="checkbox"/>	61051	Retirement Savings Contribution Credit	
<input type="checkbox"/>	61053	Self-Employment Tax	
<input type="checkbox"/>	61054	Social Security and Medicare Tax on Tip Income	
<input type="checkbox"/>	61055	Tax on Qualified Plans	
<input type="checkbox"/>	61056	Advance Earned Income Credit payments	
<input type="checkbox"/>	61057	Household Employment Taxes	
<input type="checkbox"/>	61059	W-2/1099 Federal Income Tax Withholding	
<input type="checkbox"/>	61060	Estimated Tax Payments/Prior Yr Overassessment	
<input type="checkbox"/>	61061	Earned Income Tax Credit	
<input type="checkbox"/>	61061b	NonTaxable Combat Pay Election	
<input type="checkbox"/>	61062	Excess Social Security and RRTA Tax Withheld	

# CDE 1040 Classification Checklist

Primary SSN: 259-51-7291

	Issue #	Taxes, Credits and Payments (continued)	Remarks:
<input type="checkbox"/>	61063	Additional Child Tax Credit	
<input type="checkbox"/>	61064	Amount Paid With Extension to File	
<input type="checkbox"/>	61065a	Form 2439 Notice of Shareholder Undistributed Gains	
<input type="checkbox"/>	61065b	Form 4136 Federal Fuel Tax Credit	
<input type="checkbox"/>	61065c	Form 8885 Health Coverage Tax Credit	
<input type="checkbox"/>	61066	Other Taxes	
<input type="checkbox"/>	61066a	Other Taxes-First Time Homebuyer Credit Recapture Form 5405	
<input type="checkbox"/>	61068	Refundable Education Credit-American Opportunity Credit Form 8863	
<b>Other Issues - Insert issue exactly as shown on return. Enter issue # if known.</b>			
<input type="checkbox"/>	OTHR1	Other Issue 1	
<input type="checkbox"/>	OTHR2	Other Issue 2	
<input type="checkbox"/>	OTHR3	Other Issue 3	

**CDE 1040 Classification Checklist - Schedule C1**

Primary SSN: 259-51-7291

Issue #	Income:	Remarks:
<input type="checkbox"/>	4C101 Gross Receipts or Sales	
<input type="checkbox"/>	4C102 Returns and Allowances	
<input type="checkbox"/>	5C135 Beginning Inventory	
<input type="checkbox"/>	5C136 CGS - Purchases	
<input type="checkbox"/>	5C137 CGS - Cost of Labor	
<input type="checkbox"/>	5C138 CGS - Materials and Supplies	
<input type="checkbox"/>	5C139 CGS - Other Costs	
<input type="checkbox"/>	5C141 Ending Inventory	
<input type="checkbox"/>	5C104 Cost of Goods Sold	
<input type="checkbox"/>	4C106 Other Income	
Issue #	Expenses:	Remarks:
<input type="checkbox"/>	5C108 Advertising	
<input type="checkbox"/>	5C109 Bad Debts From Sales or Services	
<input checked="" type="checkbox"/>	5C110 Car and Truck Expenses	
<input type="checkbox"/>	5C111 Commissions and Fees	
<input type="checkbox"/>	5C160 Contract labor	
<input type="checkbox"/>	5C112 Depreciation	
<input type="checkbox"/>	5C113 Depreciation and IRC 179 Expense	
<input type="checkbox"/>	5C114 Employee Benefits Programs	
<input type="checkbox"/>	5C115 Insurance (Other Than Health)	
<input type="checkbox"/>	5C116a Interest - Mortgage	
<input type="checkbox"/>	5C116b Interest - Other	
<input type="checkbox"/>	5C117 Legal and Professional Services	
<input type="checkbox"/>	5C118 Office Expenses	
<input type="checkbox"/>	5C119 Pension and Profit-Sharing Plans	
<input type="checkbox"/>	5C120a Rent/Lease - Vehicles/Machinery/Equip.	
<input type="checkbox"/>	5C120b Rent/Lease - Other Business Property	
<input type="checkbox"/>	5C121 Repairs and Maintenance	
<input type="checkbox"/>	5C122 Supplies	
<input type="checkbox"/>	5C123 Taxes and Licenses	
<input type="checkbox"/>	5C124a Travel	
<input type="checkbox"/>	5C124b Meals and Entertainment	
<input type="checkbox"/>	5C125 Utilities	
<input type="checkbox"/>	5C126 Wages	
<input checked="" type="checkbox"/>	5C127 Other Expenses	
<input type="checkbox"/>	5C130 Expenses for Business Use of Home	
Issue #	Other:	Remarks:
<input type="checkbox"/>	7C1F Accounting Method	
<input type="checkbox"/>	7C10X IRC 183 Not for Profit	



**Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed**

5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

**Date:**  
August 8, 2016  
**Taxpayer Identification Number:**  
259-51-7291  
**Form:**  
1040  
**Tax period(s):**  
December 31, 2012  
**Response date:**  
August 22, 2016  
**Person to contact:**  
MARY K HUDDLESTON  
**Contact hours:**  
7:30 to 5:00  
**Contact telephone number:**  
423-305-2282 or 423-855-6008  
**Contact fax number:**  
877-237-0438  
**Employee identification number:**  
1000848025

Dear BRANDON TANKERSLEY:

Your federal return for the period(s) shown above was selected for examination.

**What you need to do**

Please call me on or before the response date listed at the top of this letter. You may contact me at the telephone number and times provided above.

**What we will discuss**

During our telephone conversation, we will discuss:

- Items on your return that I will be examining.
- Types of documents I will ask you to provide.
- The examination process.
- Any concerns or questions you may have.
- The date, time and agenda for our first meeting.

The issues listed below are the preliminary items identified for examination. During the course of the examination, it may be necessary to add or reduce the list of items. If this should occur, I will advise you of the change.

- Sch C1 - Other Expenses
- First-time homebuyer credit from Form 5405
- Sch C1 - Gross Receipts or Sales
- Sch C1 - Utilities
- Sch C1 - Car and Truck Expenses
-

**Someone may represent you**

You may have someone represent you during any part of this examination. If you decide you want representation, the representative you authorize will need a completed Form(s) 2848, *Power of Attorney and Declaration of Representative*, before we can discuss any of your tax matters.

If you choose to have someone represent you, please provide a completed Form 2848 by our first appointment. You can mail or fax the form to me or have your representative provide it at the first appointment, if you won't be present. You can obtain Form 2848 from our office, from our web site, [www.irs.gov](http://www.irs.gov) or by calling (800) 829-3676.

If you filed a joint return, you and your spouse may attend the examination. If you and/or your spouse choose not to attend with your representative, you must provide completed Form(s) 2848. You should provide a separate Form 2848 for each spouse if you filed jointly even if you use the same representative.

**Your rights as a taxpayer**

We have enclosed Publication 1, *Your Rights as a Taxpayer* and Notice 609, *Privacy Act Notice*. The Declaration of Taxpayer Rights found in Publication 1 discusses general rules and procedures we follow in examinations. It explains what happens before, during, and after an examination, and provides additional sources of information.

A video presentation, "Your Guide to an IRS Audit," is available at <http://www.irsvideos.gov/audit>. The video explains the examination process and will assist you in preparing for your audit.

Thank you for your cooperation and I look forward to hearing from you on or before the response date provided above.

Sincerely yours,

MARY K HUDDLESTON  
Internal Revenue Agent

Enclosures:  
Publication 1  
Notice 609



**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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**Department of the Treasury  
Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

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**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury**  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Date: August 8, 2016

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**Taxpayer Name:**  
BRANDON TANKERSLEY  
**Taxpayer Identification Number:**  
259-51-7291  
**Form Number:**  
1040  
**Year(s):**  
2012  
**Person to Contact/ID Number:**  
MARY K HUDDLESTON 1000848025  
**Contact Telephone Number:**  
423-305-2282 or 423-855-6008  
**Contact Fax Number:**  
877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

**Enclosures:**

- Letter(s)
- Report(s)
- Copy of Determination Letter
- Other

**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury**  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

**Date:**  
August 19, 2016  
**Taxpayer Name:**  
BRANDON TANKERSLEY  
**Taxpayer Identification Number:**  
259-51-7291  
**Tax Form:**  
1040  
**Tax Period(s):**  
201212  
**Person to Contact:**  
MARY K HUDDLESTON  
**Employee Identification Number:**  
1000848025  
**Telephone Number:**  
423-305-2282 or 423-855-6008  
**Fax Number:**  
877-237-0438

Dear BRANDON TANKERSLEY:

This letter confirms the following appointment that we scheduled during our telephone conversation on Aug 19 with your POA

**Appointment Information**

Location: 4295 Cromwell Rd., Suite 305  
Chattanooga TN 37421

Date: September 28, 2016

Time: 9:00 AM

**What is the Purpose of the Appointment**

The purpose of our first meeting is to understand your business operations and policies and to begin the examination process. We will discuss specific examination procedures, such as communication methods, response times and other general expectations. As we discussed, please have the items listed on the attached Form 4564, *Information Document Request*, available at our first appointment.

**Someone May Represent You**

You may have someone represent you during any part of this examination. If you want someone to represent you, please provide me with a completed Form 2848, *Power of Attorney and Declaration of Representative*, at our first appointment.

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If you prefer, you may mail or fax the form to me prior to our first appointment. You can get this form from our office, from our web site at [www.irs.gov](http://www.irs.gov), or by calling 1-800-829-3676. If you decide that you wish to get representation after the examination has started, we will delay further examination activity until you can secure representation.

### **Your Rights As A Taxpayer**

We have enclosed Publication 1, *Your Rights as a Taxpayer*, and Notice 609, *Privacy Act Notice*. We encourage you to read the Declaration of Taxpayer Rights found in Publication 1. This publication discusses general rules and procedures we follow in examinations. It explains what happens before, during, and after an examination, and provides additional sources of information.

A video presentation, "Your Guide to an IRS Audit", is available at <http://www.irsvideos.gov/audit>. The video explains the examination process and will assist you in preparing for your audit.

Please contact me if you have any questions you would like to discuss.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Internal Revenue Agent

Enclosure:  
Form 4564  
Publication 1  
Notice 609

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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**Department of the Treasury**  
**Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

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**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury**  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Date: August 19, 2016

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**Taxpayer Name:**  
BRANDON TANKERSLEY

**Taxpayer Identification Number:**  
259-51-7291

**Form Number:**  
1040

**Year(s):**  
2012

**Person to Contact/ID Number:**  
MARY K HUDDLESTON 1000848025

**Contact Telephone Number:**  
423-305-2282 or 423-855-6008

**Contact Fax Number:**  
877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

**Enclosures:**

- Letter(s)
- Report(s)
- Copy of Determination Letter
- Other



**Internal Revenue Service**  
Small Business and Self-Employed  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

**Department of the Treasury**

**Date:**  
October 6, 2016  
**Taxpayer Identification Number:**  
259-51-7291  
**Tax Year:**  
2012, 14, 15  
**Form Number:**  
1040  
**Person to Contact:**  
MARY K HUDDLESTON  
**Employee Identification Number:**  
1000848025  
**Contact Telephone Number:**  
423-305-2282 or 423-855-6008  
**Fax Number:**  
877-237-0438

**CONFIRMATION**

Dear BRANDON TANKERSLEY:

This letter is provided to confirm an appointment to examine your federal income tax return for the year(s) shown above.

Place: 4295 Cromwell Rd, Ste 305  
Chattanooga TN 37421-2163

Date: November 16, 2016

Time: 9:00 AM

**WHAT TO EXPECT AT THE EXAMINATION**

The examination is scheduled to last approximately 80 hours. During the examination, I will review the items requested in the Information Document Request previously sent to you. It is important that you bring all the items listed on the Information Document Request to the appointment. My goal is to complete your examination at the initial meeting. However, depending on the results of this initial meeting and the supporting items you provide, I may ask you to provide additional items and/or schedule a follow-up meeting. At the completion of the examination, you may owe additional tax, be due a refund, or there may be no change to your return.

A video presentation, "Your Guide to an IRS Audit", is available at <http://www.irsvideos.gov/audit>. The video explains the examination process and will assist you in preparing for your audit.

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WHO MAY COME TO THE EXAMINATION

If you filed a joint return, you and/or your spouse may attend. You may also have someone represent you at the examination. If you will not attend with your representative, you must provide a completed Form 2848, *Power of Attorney*, or Form 8821, *Tax Information Authorization*, by the start of the examination. You can obtain these forms from our office, from our web site, [www.irs.gov](http://www.irs.gov), or by calling (800) 829-3676.

WHAT WILL HAPPEN IF YOU DO NOT KEEP THE APPOINTMENT

If you do not keep your appointment or provide the requested records, we will issue an examination report showing additional tax due. Therefore, it is to your advantage to keep your appointment and provide the records. If you are uncertain about the records needed or the examination process, please do not hesitate to call the phone number listed above.

Sincerely,

MARY K HUDDLESTON  
Examining Officer  
1000848025

Enclosures:  
IDR #2

**Department of the Treasury  
Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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**Department of the Treasury**  
**Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

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**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury**  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Date: October 6, 2016

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**Taxpayer Name:**  
BRANDON TANKERSLEY

**Taxpayer Identification Number:**  
259-51-7291

**Form Number:**  
1040

**Year(s):**  
2012

**Person to Contact/ID Number:**  
MARY K HUDDLESTON 1000848025

**Contact Telephone Number:**  
423-305-2282 or 423-855-6008

**Contact Fax Number:**  
877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

Enclosures:

- Letter(s)
- Report(s)
- Copy of Determination Letter
- Other

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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605

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0003

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam

SAIN number Submitted to:  
BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

The next appointment in the examination of your 2012, 2014, and 2015 tax returns is scheduled for January 9, 2017, at 9:00 am, at your power of attorney's office located at 4295 Cromwell Road, Suite 305, Chattanooga, TN.

The following information has not been received although it was requested on October 6, 2016, when the examination of your Federal Income Tax Return was expanded from 2012 to the subsequent years of 2014 and 2015.

- 1 Copy of the following tax returns for inspection:
  - A. Any 1099 information returns issued and include the Form 1096.
  - B. Documentation to support payments for contract labor, and labor listed in Other Expenses. (Who was paid, individual and total amounts paid, date of payments, social security numbers, addresses, etc)
- 2 Your original accounting records and books:
  - A. Cash Receipts Journal (Record of business income). Information on how gross receipts were calculated, and documentation to support the calculation (e.g.: Billing invoices, contracts, charge transactions, cash register receipts, etc.)
- 3 All bank statements for all accounts (both business and personal, savings and checking) for the period beginning with December 2013 through and including January 2016.
- 4 Internet merchant bank account statements and/or other reports of individual electronic payment transactions for the period beginning with December 2013 through and including January 2016.

Information due by 01/09/2017

At next appointment  Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

12/07/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0003

To: (Name of Taxpayer and Company Division or Branch)

BRANDON TANKERSLEY

Subject  
Form 1040 Exam

SAIN number

Submitted to:

BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

- 5 Periodic statements for all personal and business credit cards owned for the period beginning with December 2011 through and including January 2016.
- 6 Investment account and brokerage statements for the period beginning with December 2011 through and including January 2016.
- 7 Documentation of all non-taxable sources of income such as the proceeds of loans, gifts, tax refunds, or tax-exempt interest.
- 8 Copy of any loan agreements for loans, including a record of all payments of principal or interest.
- 9 Copy of insurance policies and premium notices for insurance claimed as a business expense.
- 10 Documentation to support car and truck expenses.
  - A. Repair receipts, inspection slips, or any other records to show total mileage driven for the year
  - B. Log books and other records verifying the business mileage claimed
  - C. If you did not keep a log or other formal records of your business mileage, reconstruct the business use of the vehicle. This information should include current mileage reading on the vehicle used for business purposes, mileage reading on the vehicle when you acquired it, mileage reading for January 1 and December 31 of the year being audited, and mileage distance between your residence and your business location. Also bring an appointment book or calendar of your business activities during the year
  - D. If you claimed actual expenses, invoices and cancelled checks for automobile expenses you incurred during the year. These include gas, oil, tires, repairs, insurance, interest, tags and taxes

Information due by 01/09/2017

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

12/07/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438



Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

### Information Document Request

Request Number

0003

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam

SAIN number Submitted to:  
BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

E. For depreciation of actual expenses provide a bill of sale or other verification to establish the cost or other basis of the vehicle, including the trade-in of another vehicle

11 Substantiation for Other expenses.

A. Explanation of how the expense related to your business, including a description of the item. Cancelled checks and receipts verifying the expenses.

12 Information regarding the home purchased and repayment of the First Time Home Buyer's Credit. Specifically, the address of the home purchased, status of home at this time, taxpayer's current address, and time line of addresses in between.

13 A tour of the business needs to be scheduled.

The following additional information is requested:

- 1 Documentation to support the Self Employed Health Insurance Deduction taken in 2014 and 2015.
- 2 Substantiation for Advertising Expenses for all years.
- 3 Information and substantiation to support the Amortization Expense.

**\*\*\* Additional documentation may be requested as the audit proceeds \*\*\***

Information due by 01/09/2017

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

12/07/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438

**Department of the Treasury**  
**Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

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**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury**  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Date: December 8, 2016

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**Taxpayer Name:**  
BRANDON TANKERSLEY  
**Taxpayer Identification Number:**  
259-51-7291  
**Form Number:**  
1040  
**Year(s):**  
2012                      2014                      2015  
**Person to Contact/ID Number:**  
MARY K HUDDLESTON                      1000848025  
**Contact Telephone Number:**  
423-305-2282 or 423-855-6008  
**Contact Fax Number:**  
877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

Enclosures:

- Letter(s)
- Report(s)
- Copy of Determination Letter
- Other IDR #3

**Internal Revenue Service  
Small Business and Self-Employed**

**Department of the Treasury  
5740 Uptain Road  
Suite 7800  
Chattanooga, TN 37411**

**Date:** April 25, 2017

**Taxpayer Identification Number:**  
259-51-7291

**Form:**  
1040

**Tax Period(s) Ended:**  
December 31, 2012, December 31, 2014,  
December 31, 2015

**Employee Identification Number:**  
100848025

**Contact Telephone Number:**  
423-855-6008 or 423-305-2282

**Last Date to Respond to this Letter:**  
May 5, 2017

**BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND, TN 37311-3528**

Dear BRANDON TANKERSLEY:

We have enclosed a copy our examination report showing the changes we made to your tax return for the period(s) shown above. Please read the report and tell us whether you agree or disagree with the changes. This RAR is based upon preliminary results, from information that has been provided at this point. We will utilize this report plus any and all applicable penalties to support the government's interest.

(This report may not reflect the result of later examinations of partnerships, "S" Corporations, trusts, etc., in which you have an interest. Changes made to those tax returns could affect your tax.)

If you have additional information for consideration, it is important that you provide that information by the date indicated above or contact me at the phone number above to make other arrangements..

Thank you for your cooperation.

Sincerely yours,

**MARY HUDDLESTON  
Internal Revenue Agent**

Enclosures:  
Examination Report  
Publication 3498  
Cc: Pam Harden, Group Manager

Name and Address of Taxpayer

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Person with whom  
examination  
changes were  
discussed.

Name and Title:  
BRANDON TANKERSLEY

	Period End 12/31/2012	Period End 12/31/2014	Period End 12/31/2015
<b>1. Adjustments to Income</b>			
a. Taxable Interest	11.00	12.00	12.00
b. Sch C1 - Expenses for Business Use of Home	620.00	1,032.00	750.00
c. Sch C1 - Oth Expenses - Amortization	1,667.00	1,666.00	1,667.00
d. Sch C1 - Advertising	13,779.00	34,775.00	58,351.00
e. Sch C1 - Oth Expense - Labor	45,416.00		
f. Sch C1 - Utilities	3,070.00	2,736.00	
g. SE AGI Adjustment	(4,560.00)	(3,738.00)	(6,016.00)
h. Other Income		2,051.00	
i. Sch C1 - Contract labor		8,500.32	6,890.00
j. Self-Employed Health Insurance		16,655.00	8,334.00
k. Sch C1 - Other Expenses - Website Fees		4,200.00	
l. NOL Carryforward		17,924.00	
m. Sch E1 - Royalties Received			8.00
n. Sch C1 - Insurance (Other Than Health)			17,496.00
o.			
p.			
<b>2. Total Adjustments</b>	60,003.00	85,813.32	87,492.00
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	3,616.00	3,356.00	(5,987.00)
<b>4. Corrected Taxable Income</b>	63,619.00	89,169.00	81,505.00
Tax Method	TAX TABLE	TAX TABLE	TAX TABLE
Filing Status	Single	Single	Head of Household
<b>5. Tax</b>	11,936.00	18,150.00	14,704.00
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	11,936.00	18,150.00	14,704.00
<b>8. Less Credits</b>			
a. Child Tax Credit	500.00		
b. Child Care Credit		220.00	
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	11,436.00	17,930.00	14,704.00
<b>10. Plus</b>			
a. Self Employment Tax	11,132.00	15,387.00	15,011.00
Other			
b. First-Time Homebuyer Credit Repayment	500.00	500.00	5,000.00
Taxes			
c. Shared responsibility payment (as reported)		143.00	
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	23,068.00	33,960.00	34,715.00
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	3,703.00	8,554.00	3,480.00
<b>13. Adjustments to:</b>			
a.			
b. Earned Income Credit			(3,125.00)
c. Addnl Child Tax Credit	(637.00)	(1,000.00)	(1,000.00)
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	20,002.00	26,406.00	35,360.00
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	20,002.00	26,406.00	35,360.00

Name of Taxpayer  
BRANDON TANKERSLEY

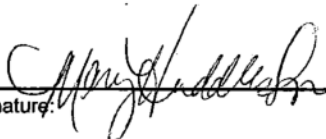
Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2012	Period End 12/31/2014	Period End 12/31/2015
a. Delq-IRC 6651 (a) (1)	5,767.00		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>5,767.00</b>		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00	0.00	0.00
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	20,002.00	26,406.00	35,360.00
b. Penalties (Line 18) - computed to 04/25/2017	5,767.00		
c. Interest (IRC § 6601) - computed to 05/25/2017	3,717.72	2,050.08	1,601.79
d. TMT Interest - computed to 05/25/2017 (on TMT underpayment)	0.00	0.00	0.00
e. Amount due or refund - (sum of Lines a, b, c and d)	29,486.72	28,456.08	36,961.79

**Other Information:**

This report is based on preliminary information. If you do not respond to this report or make other arrangements, we will have to proceed on the basis of available information including considering any and all applicable penalties.

Examiner's Signature: 	Employee ID: 1000848025	Office:	Date: 04/25/2017
Name MARY K HUDDLESTON			

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

2012 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	90,631.00
2. Multiply line 1 by 92.35%	83,697.73
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	83,697.73
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	110,100.00
12. Multiply the smaller of line 5 or 11 by 10.40%	8,704.56
13. Multiply line 5 by 2.90%	2,427.23
14. Self-employment tax (sum of lines 12 and 13)	11,131.79

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 10.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

04/25/2017  
18.00.00

**2012 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	84,240.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	10,000.00
5. Multiply line 4 by .05	500.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	500.00
7. Corrected tax before allowable credits	11,936.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	11,936.00
10. Child tax credit (smaller of lines 6 or 9)	500.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	500.00
2. Child tax credit allowed (line 10 above)	500.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security and Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total  
04/25/2017  
18.00.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2012 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2013	
3. Date return filed	11/16/2015	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax liability		23,068.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		23,068.00
9. Failure to File Penalty - line 8 multiplied by line 4		5,767.00
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		5,767.00
12. Previously assessed/previously agreed Failure to File Penalty		0.00
13. Net Failure to File Penalty - line 11 less line 12		5,767.00
14. Failure to Pay Penalty - line 8 multiplied by line 5		0.00
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		0.00
17. Total Delinquency Penalty - Sum of line 13 and 16		5,767.00

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

2012 TAX YEAR INTEREST COMPUTATION

Interest computed to 05/25/2017

Total Tax Deficiency \$20,002.00

Plus Penalties\*

Failure to File - IRC 6651	\$5,767.00
Accuracy Related Penalty - IRC 6662	\$.00
Accuracy Related Penalty - IRC 6662A	\$.00
Civil Fraud - IRC 6663	\$.00
Manually Computed Penalty	\$.00

Total Penalties Subject to Interest \$5,767.00

Tax Deficiency and Penalties Subject to Interest \$25,769.00

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2013--12/31/2013	260	3%	\$556.58
Compound	01/01/2014--12/31/2014	365	3%	\$801.70
Compound	01/01/2015--12/31/2015	365	3%	\$826.11
Compound	01/01/2016--03/31/2016	91	3%	\$209.28
Compound	04/01/2016--12/31/2016	275	4%	\$859.22
Compound	01/01/2017--05/25/2017	145	4%	\$464.83

Total Interest

\$3,717.72

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

2014 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary	
BRANDON TANKERSLEY	259-51-7291
1. Self-employment income	108,900.32
2. Multiply line 1 by 92.35%	100,569.45
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	100,569.45
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	117,000.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,470.61
13. Multiply line 5 by 2.90%	2,916.51
14. Self-employment tax (sum of lines 12 and 13)	15,387.12
<hr/>	
Secondary	
1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

04/25/2017  
18.00.00

201412 - FORM 2441 - CHILD AND DEPENDENT CARE EXPENSES

Credit for Child and Dependent Care Expenses

1. Qualified expense incurred and paid	1,100.00	0.00
2. Total of qualified expenditures, incurred and paid		1,100.00
3. Enter 3,000.00 ( 6,000.00 if two or more qualifying persons). If employer provided benefits received, enter amount from line 29		1,100.00
4. Earned income		101,206.00
5. Earned income of spouse if applicable; otherwise, enter amount from line 4		101,206.00
6. Smaller of line 2, 3, 4, or 5		1,100.00
7. Adjusted gross income		103,269.00
8. Percentage applicable to amount on line 7		20.00%
9. Multiply line 6 by line 8		220.00
10. Child and dependent care credit - tentative		220.00
11. Child and dependent care credit - limitation		18,150.00
12. Child and dependent care credit - allowed		220.00

Dependent Care Benefits

13. Employer provided dependent care benefits utilized in the current year		0.00
14. Qualified expenses incurred, regardless of when paid		1,100.00
15. Smaller of line 13 or 14		0.00
16. Earned income		101,206.00
17. Earned income of spouse if applicable; otherwise, enter amount from line 16		101,206.00
18. Smaller of lines 15, 16, or 17		0.00
19. Enter \$5,000 (or \$2,500 if married filing separately and not considered unmarried)		5,000.00
20. Amount from line 13 received from sole proprietorship or partnership; if Form 1040A, skip to line 23		0.00
21. Subtract line 20 from line 13		0.00
22. Deductible benefits. Smaller of line 18, 19, or 20		0.00
23. Excluded benefits. Subtract line 22 from the smaller of line 18 or 19; if line 20 is 0 or if Form 1040A, smaller of line 18 or 19		0.00
24. Taxable benefits. Subtract line 23 from line 21; if Form 1040A, subtract line 23 from line 13		0.00
25. Enter 3,000.00 ( 6,000.00 if two or more qualifying persons)		3,000.00
26. Add lines 22 and 23; if Form 1040A, enter amount from line 23		0.00
27. Subtract line 26 from line 25		3,000.00
28. If line 2 equals line 14, subtract lines 22 and 23 from line 2; otherwise, enter line 2 amount		1,100.00
29. Smaller of line 27 or 28		1,100.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

**2014 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	103,269.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate).	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	29,000.00
5. Multiply line 4 by .05	1,450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name Of Taxpayer: BRANDON TANKERSLEY  
 Identification Number: 259-51-7291

04/25/2017  
 18.00.00

Total

2014 TAX YEAR INTEREST COMPUTATION

Interest computed to 05/25/2017

Total Tax Deficiency \$26,406.00

Plus Penalties\*

Failure to File - IRC 6651	\$ .00
Accuracy Related Penalty - IRC 6662	\$ .00
Accuracy Related Penalty - IRC 6662A	\$ .00
Civil Fraud - IRC 6663	\$ .00
Manually Computed Penalty	\$ .00

Total Penalties Subject to Interest \$ .00

Tax Deficiency and Penalties Subject to Interest \$26,406.00

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2015--06/30/2015	76	3%	\$165.46
Compound	07/01/2015--09/30/2015	92	3%	\$201.68
Compound	10/01/2015--12/31/2015	92	3%	\$203.21
Compound	01/01/2016--03/31/2016	91	3%	\$201.96
Compound	04/01/2016--06/30/2016	91	4%	\$271.63
Compound	07/01/2016--09/30/2016	92	4%	\$277.38
Compound	10/01/2016--12/31/2016	92	4%	\$280.18
Compound	01/01/2017--03/31/2017	90	4%	\$277.59
Compound	04/01/2017--05/25/2017	55	4%	\$170.99

Total Interest \$2,050.08

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

2015 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	106,241.00
2. Multiply line 1 by 92.35%	98,113.56
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	98,113.56
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	118,500.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,166.08
13. Multiply line 5 by 2.90%	2,845.29
14. Self-employment tax (sum of lines 12 and 13)	15,011.37

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
18.00.00

Total

**2015 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	98,755.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	24,000.00
5. Multiply line 4 by .05	1,200.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

04/25/2017  
18.00.00

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2015 - Schedule EIC - Computation of Earned Income Credit

1. Investment income (if amount is greater than \$3,400, no credit is allowed)	8.00
2. Wages, salaries, tips, etc.	0.00
3. Taxable scholarship or fellowship grant	0.00
4. Amount paid to an inmate in a penal institution	0.00
5. Pension or annuity from nonqualified plan or 457 plan	0.00
6. Amount of any nontaxable combat pay received	0.00
7. Line 2 plus line 6 less the sum of lines 3, 4, and 5	0.00
8. Net profit or loss from self-employment less deductible part of SE tax	98,735.00
9. Earned income (sum of lines 7 and 8)	98,735.00
10. Credit allowed using the amount on line 9	0.00
11. Adjusted gross income	98,755.00
12. Credit allowed using the amount on line 11 (if applicable)	0.00
13. Earned income credit (smaller of lines 10 and 12, if applicable or zero if line 1 is greater than the yearly investment income limitation amount)	0.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number <b>259-51-7291</b>	Year/Period Ended <b>2012 2014 2015</b>

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,842.00	\$6,402.00	(\$4,560.00)
2014	\$3,956.00	\$7,694.00	(\$3,738.00)
2015	\$1,490.00	\$7,506.00	(\$6,016.00)

Your self-employment tax for the 2012 tax year has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted based on the recomputed amount of tax as follows: If the recomputed self-employment tax is \$14,643.30 or less, the deduction is 57.51% of the recomputed self-employment tax. If the recomputed self-employment tax is more than \$14,643.30, the deduction is 50% of the recomputed self-employment tax plus \$1,100.00.

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,203.00	\$11,132.00	\$7,929.00
2014	\$7,911.00	\$15,387.00	\$7,476.00
2015	\$2,980.00	\$15,011.00	\$12,031.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

**Statutory-Earned Income Credit**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$3,125.00	\$0.00	(\$3,125.00)

Because we changed your adjusted gross income and/or your earnings and those changes affected your modified adjusted gross income or earned income, we have also adjusted your earned income credit.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

04/25/2017  
Total 18.00.00

### HOW TO PAY YOUR TAXES

If you agree with our examination, pay now by sending a check or money order payable to United States Treasury and your signed agreement. The enclosed report does not reflect any balance currently due on your account.

Why it is to your advantage to pay now:

- Decreases future interest charges
- Prevents assessment of failure to pay penalty
- Reduces payment of nondeductible interest
- Eliminates further contact with us

If you agree with our examination and cannot pay now:

- 1) Can you pay the full amount within 120 days?  Yes  No
  - If yes, send in the signed agreement now and submit the balance due when you receive a bill. Checks should be made payable to United States Treasury.
  - If no, you may be eligible for a payment plan.
- 2) If you would like us to consider an installment agreement, submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ \_\_\_\_\_ per month.

(We encourage you to make your payments as large as possible to limit penalty and interest charges.)

I would like my payment to be due on the \_\_\_\_\_ of the month.

(Please indicate a date between the 1<sup>st</sup> and 28<sup>th</sup> of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: ( ) \_\_\_\_\_

Work: ( ) \_\_\_\_\_

ALSO, if you agree with our examination, PLEASE SIGN PAGE 2 OF THE REPORT (Form 4549) and return pages 1 and 2 to us.

\* Interest and applicable penalties will continue to accrue until your balance is paid in full.

\* All checks or money orders for payment should be made payable to United States Treasury.

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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Form <b>4564</b> (Rev. September 2006)	Department of the Treasury – Internal Revenue Service <b>Information Document Request</b>	Request Number 0004
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To: (Name of Taxpayer and Company Division or Branch) BRANDON TANKERSLEY		Subject Income Tax Examination 2012, 2014, 2015
SAIN number	Submitted to: BRANDON TANKERSLEY	
Dates of Previous Requests (mmddyyyy)		

Description of documents requested  
Tax Period(s): 201212; 201412; 201512

The examination of your Federal Income Tax Returns for calendar years ending December 31, 2012, December 31, 2014, and December 31, 2015 continues.

Please provide the following information:

1. Documentation to support the Net Operating Loss Carryforward in the amount of \$17,924.
2. Any other documents, records or information which may be helpful to explain your tax return and expedite the examination and were used to prepare your tax return.
3. An updated Power of Attorney, Form 2848, which includes the tax years beyond 2013.

Contact me at 423-855-6008 or 423-305-2282, should you have any questions and to schedule meeting to provide me the records. Please contact me no later than April 13, 2017.

\*\*\*Additional records may be requested throughout the exam.\*\*\*

Information due by <u>04/13/2017</u>		At next appointment <input type="checkbox"/>	Mail in <input checked="" type="checkbox"/>
From:	Name and Title of Requester MARY K HUDDLESTON, Revenue Agent	Employee ID number 1000848025	Date (mmddyyyy) 04/03/2017
	Office Location: 5740 Uptain Rd., Suite 7800 Chattanooga, TN 37411		Phone: 423-305-2282 or 423-855-6008 Fax: 877-237-0438

**Department of the Treasury**  
**Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

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Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed

5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Joe Honey Jr.  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

Date:

April 3, 2017

Taxpayer ID number (last 4 digits):

7291

Taxpayer name:

BRANDON TANKERSLEY

Form number:

1040

Years:

December 31, 2012

December 31, 2014

December 31, 2015

Person to contact / ID number:

Mary Huddleston 1000848025

Contact telephone number:

423-305-2282 or 423-855-6008

Contact fax number:

877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

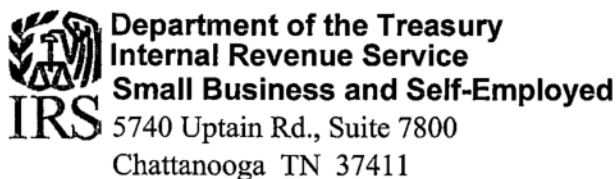
Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

Enclosures:

- Letters
- Reports
- Copy of Determination Letter
- Other IDR #4



BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Date:  
June 22, 2017  
Tax years:  
December 31, 2014  
Taxpayer ID number (last 4 digits):  
7291  
Kind of tax:  
Income  
Consent form number:  
872  
Person to contact:  
Mary Huddleston  
Employee ID number:  
1000848025  
Contact telephone number:  
423-305-2282 or 423-855-6008

Dear BRANDON TANKERSLEY:

The limitation period allowed by law for assessing additional tax on your federal tax return will expire soon. Therefore, we request that you consent to extend the period for assessment.

We have enclosed copies of consent Form 872, which extends the statute of limitation period. Before signing this form, it is important that you understand your rights concerning consents, which are as follows:

- 1) You have the right to refuse to extend the limitation period.
- 2) You have the right to request the extension be limited to particular issues held open for further examination or appeal.
- 3) You have the right to request the limitation period be limited to a specific date.

If you wish to exercise any of your rights mentioned above, please review the enclosed Publication 1035 *Extending the Tax Assessment Period*, for a more detailed explanation of your rights, options, and procedures.

**NOTE:** You do not have to sign the consent to be considered to have cooperated with the Internal Revenue Service for purposes of determining who has the burden of proof in any court proceeding.

**Joint Filers:** If the enclosed consent is for a joint return, each individual must sign.

If you agree to the terms in the enclosed consent form, please sign all copies of the consent form and return them in the enclosed envelope within 13 days from the date of this letter.

**NOTE:** It is important that you sign your name exactly as it appears on Form 872. Upon acceptance, we will return an approved copy for your records.

If you have questions concerning the enclosed form or your rights when extending the statute of limitations please contact the person whose name and number is shown above. If the telephone number is outside your local calling area, there will be a long distance charge to you. If you choose to write, please provide a telephone number and most convenient time to call if we need to contact you.



Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

Enclosures:  
Copies of consent form  
Envelope  
Publication 1035

Form **872**  
(Rev. July 2014)

Department of the Treasury-Internal Revenue Service

**Consent to Extend the Time to Assess Tax**

In reply refer to:  
**SE:S:E:FE:C:T7:1508**  
TIN  
259-51-7291

**BRANDON TANKERSLEY**

(Name(s))

taxpayer(s) of 2435 VALLEY HILLS DR NW  
CLEVELAND, TN 37311

(Address)

and the Commissioner of Internal Revenue consent and agree to the following:

(1) The amount of any Federal INCOME tax due on any return(s) made by or  
(Kind of tax)

for the above taxpayer(s) for the period(s) ended

DECEMBER 31, 2014

may be assessed at any time on or before December 31, 2018. If a provision  
(Expiration date)

of the Internal Revenue Code suspends the running of the period of limitations to assess such tax, then, when, under the Internal Revenue Code, the running of the period resumes, the extended period to assess will include the number of days remaining in the extended period immediately before the suspension began.

(2) The taxpayer(s) may file a claim for credit or refund and the Service may credit or refund the tax within 6 months after this agreement ends, except with respect to the items in paragraph (4).

(3) Paragraph (4) applies only to any taxpayer who holds an interest, **either directly or indirectly**, in any partnership subject to subchapter C of chapter 63 of the Internal Revenue Code.

(4) Without otherwise limiting the applicability of this agreement, this agreement also extends the period of limitations for assessing any tax (including penalties, additions to tax and interest) attributable to any partnership items (see section 6231 (a)(3)), affected items (see section 6231(a)(5)), computational adjustments (see section 6231(a)(6)), and partnership items converted to nonpartnership items (see section 6231(b)). Additionally, this agreement extends the period of limitations for assessing any tax (including penalties, additions to tax, and interest) relating to any amounts carried over from the taxable year specified in paragraph (1) to any other taxable year(s). This agreement extends the period for filing a petition for adjustment under section 6228(b) but only if a timely request for administrative adjustment is filed under section 6227. For partnership items which have converted to nonpartnership items, this agreement extends the period for filing a suit for refund or credit under section 6532, but only if a timely claim for refund is filed for such items.

(5) This Form contains the entire terms of the Consent to Extend the Time to Assess Tax. There are no representations, promises, or agreements between the parties except those found or referenced on this Form.

**Your Rights as a Taxpayer**

You have the right to refuse to extend the period of limitations or limit this extension to a mutually agreed-upon issue(s) or mutually agreed-upon period of time. **Publication 1035, Extending the Tax Assessment Period**, provides a more detailed explanation of your rights and the consequences of the choices you may make. If you have not already received a Publication 1035, the publication can be obtained, free of charge, from the IRS official who requested that you sign this consent or from the IRS' web site at [www.irs.gov](http://www.irs.gov) or by calling toll free at 1-800-TAX-FORM (1-800-829-3676). Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled.

(Space for signature is on the back of this form and signature instructions are attached)

TIN  
259-51-7291

Period Ending  
**DECEMBER 31, 2014**

Expiration Date  
December 31, 2018

**SIGNING THIS CONSENT WILL NOT DEPRIVE THE TAXPAYER(S) OF ANY APPEAL RIGHTS TO WHICH THEY WOULD OTHERWISE BE ENTITLED.**

**YOUR SIGNATURE HERE** →

BRANDON TANKERSLEY

(Date signed)

(Type or Print Name)

I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B).

**SPOUSE'S SIGNATURE** →

(Date signed)

(Type or Print Name)

I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B).

**TAXPAYER'S REPRESENTATIVE SIGN HERE** →

(Only needed if signing on behalf of the taxpayer.)

(Date signed)

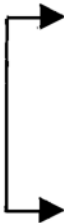
(Type or Print Name)

I am aware that I have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501(c)(4)(B). In addition, the taxpayer(s) has been made aware of these rights.

If this document is signed by a taxpayer's representative, the Form 2848, Power of Attorney and Declaration of Representative, or other power of attorney document must state that the acts authorized by the power of attorney include representation for the purposes of Subchapter C of Chapter 63 of the Internal Revenue Code in order to cover items in paragraph (4).

**CORPORATE NAME** →

**CORPORATE OFFICER(S) SIGN HERE**



(Type or Print Name)

(Title)

(Date signed)

(Type or Print Name)

(Title)

(Date signed)

I (we) am aware that I (we) have the right to refuse to sign this consent or to limit the extension to mutually agreed-upon issues and/or period of time as set forth in I.R.C. § 6501 (c)(4)(B).

**INTERNAL REVENUE SERVICE SIGNATURE AND TITLE**

(IRS Official's Name - see instructions)

(IRS Official's Title - see instructions)

(IRS Official's Signature - see instructions)

(Date signed)

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## Instructions

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If this consent is for:

- Income tax, self-employment tax, or FICA tax on tips and is made for any year(s) for which a joint return was filed, both husband and wife must sign the original and copy of this form unless one, acting under a power of attorney, signs as agent for the other. The signatures must match the names as they appear on the front of this form.
- Gift tax and the donor and the donor's spouse elected to have gifts to third persons considered as made one-half by each, both husband and wife must sign the original and copy of this form unless one, acting under a power of attorney, signs as agent for the other. The signatures must match the names as they appear on the front of this form.
- Chapter 41, 42, or 43 taxes involving a partnership or is for a partnership return, only one authorized partner need sign.
- Chapter 42 taxes, a separate Form 872 should be completed for each potential disqualified person, entity, or foundation manager that may be involved in a taxable transaction during the related tax year. See Revenue Ruling 75-391, 1975-2C.B 446.

If you are an attorney or agent of the taxpayer(s), you may sign the consent provided the action is specifically authorized by a power of attorney. If the power of attorney was not previously filed, you must include it with this form.

If you are acting as a fiduciary (such as executor, administrator, trustee, etc.) and you sign this consent, attach Form 56, Notice Concerning Fiduciary Relationship, unless it was previously filed.

If the taxpayer is a corporation, sign this consent with the corporate name followed by the signature and title of the officer(s) authorized to sign.

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## Instructions for Internal Revenue Service Employees

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Complete the delegated IRS official's name and title of the employee who is signing the form on behalf of the IRS.

An IRS official delegated authority under Delegation Order 25-2 must sign and date the consent. (IRM 1.2.52.3)

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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**Department of the Treasury**  
**Internal Revenue Service**

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

---



**Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed**

5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

Joe Honey Jr  
4295 Cromwell Rd Ste 305  
Chattanooga TN 37421-2163

**Date:**

June 22, 2017

**Taxpayer ID number (last 4 digits):**

7291

**Taxpayer name:**

BRANDON TANKERSLEY

**Form number:**

1040

**Years:**

December 31, 2014

**Person to contact / ID number:**

Mary Huddleston 1000848025

**Contact telephone number:**

423-305-2282 or 423-855-6008

**Contact fax number:**

877-237-0438

Dear Joe Honey Jr:

We are sending the enclosed material under the provisions of your power of attorney or other authorization we have on file. For your convenience, we have listed the name of the taxpayer to whom this material relates in the heading above.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Thank you for your cooperation.

Sincerely,

MARY K HUDDLESTON  
Revenue Agent

**Enclosures:**

- Letters
- Reports
- Copy of Determination Letter
- Other



**Department of the Treasury**  
**Internal Revenue Service**  
Small Business and Self-Employed  
5740 Uptain Rd., Suite 7800  
Chattanooga TN 37411

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Date:  
June 23, 2017  
Taxpayer ID number:  
259-51-7291  
Form:  
1040  
Tax periods ended:  
December 31, 2014

Person to contact:  
Mary Huddleston  
Contact telephone number:  
423-305-2282 or 423-855-6008  
Contact fax number:  
877-237-0438  
Employee ID number:  
1000848025  
Response due date:  
July 5, 2017

Dear BRANDON TANKERSLEY:

I am enclosing two copies of an examination report showing proposed changes to your tax for the periods listed above. Review the report, and tell us whether you agree or disagree with the changes **by the response due date listed above**. If you have an interest in any partnerships, S corporations, trusts, etc., this report may not reflect examinations of those entities. Changes to those accounts could also affect your tax.

**If you agree with the proposed changes in the report**

1. Sign and date one copy of the examination report. If you filed a joint return, both spouses must sign the report.
2. Include payment for the full amount you owe (if the report shows you owe additional tax) to limit penalty and interest charges to your account. Make payment payable to the *United States Treasury*.
3. Return the signed and dated examination report with your payment **by the response due date** in the enclosed envelope.

**If you agree, but can't pay the full amount you owe**

Sign, date, and return one copy of the examination report, as explained above, and pay as much as you can. You can call me to discuss payment. We explain payment options in the enclosed Publication 3498, *The Examination Process*. You can also visit [www.irs.gov](http://www.irs.gov) and search "tax payment options" for more information about:

- Installment agreements
- Automatic payment deductions
- Payroll deductions
- Credit card payments

If you don't enclose full payment for the additional tax, interest, and penalties, we'll bill you for the unpaid amounts. Penalties and interest will continue to increase until you pay the full amount you owe. If you are a C corporation, the law requires us to charge an interest rate 2% higher than the standard rate on deficiencies of \$100,000 or more (Section 6621(c) of the Internal Revenue Code).



Form **870**  
(Rev. March 1992)

Department of the Treasury—Internal Revenue Service

Date received by  
Internal Revenue Service

**Waiver of Restrictions on Assessment and Collection of  
Deficiency in Tax and Acceptance of Overassessment**

Names and address of taxpayers (*Number, street, city or town, State, ZIP code*)

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Social security or employer  
identification number

259-51-7291

**Increase (Decrease) in Tax and Penalties**

Tax year ended	Tax	Penalties			
12/31/2014	26,406.00	IRC 6662 20% 5,281.20			

(For instructions, see back of form)

**Consent to Assessment and Collection**

I consent to the immediate assessment and collection of any deficiencies (*increase in tax and penalties*) and accept any overassessment (*decrease in tax and penalties*) shown above, plus any interest provided by law. I understand that by signing this waiver, I will not be able to contest these years in the United States Tax Court, unless additional deficiencies are determined for these years.

YOUR SIGNATURE HERE →		Date
SPOUSE'S SIGNATURE →		Date
TAXPAYER'S REPRESENTATIVE HERE →		Date
CORPORATE NAME →		
CORPORATE OFFICER(S) SIGN HERE →	Title	Date
SIGN HERE →	Title	Date

Continuation Sheet

---

NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

---

Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Name and Address of Taxpayer		Taxpayer Identification Number	Return Form No.:	
BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528		259-51-7291	1040	
		Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY	
1. Adjustments to Income		Period End 12/31/2014	Period End	Period End
a. Other Income		2,051.00		
b. Taxable Interest		12.00		
c. Sch C1 - Expenses for Business Use of Home		1,032.00		
d. Sch C1 - Contract labor		8,500.32		
e. Self-Employed Health Insurance		16,655.00		
f. Sch C1 - Other Expenses - Website Fees		4,200.00		
g. Sch C1 - Oth Expenses - Amortization		1,666.00		
h. Sch C1 - Advertising		34,775.00		
i. Sch C1 - Utilities		2,736.00		
j. NOL Carryforward		17,924.00		
k. SE AGI Adjustment		(3,738.00)		
l.				
m.				
n.				
o.				
p.				
<b>2. Total Adjustments</b>		85,813.32		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>		3,356.00		
<b>4. Corrected Taxable Income</b>		89,169.00		
Tax Method		TAX TABLE		
Filing Status		Single		
<b>5. Tax</b>		18,150.00		
<b>6. Additional Taxes / Alternative Minimum</b>				
<b>7. Corrected Tax Liability</b>		18,150.00		
<b>8. Less Credits</b>				
a. Child Care Credit		220.00		
b.				
c.				
d.				
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>		17,930.00		
<b>10. Plus Other Taxes</b>				
a. Shared responsibility payment (as reported)		143.00		
b. Self Employment Tax		15,387.00		
c. First-Time Homebuyer Credit Repayment		500.00		
d.				
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>		33,960.00		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>		8,554.00		
<b>13. Adjustments to:</b>				
a.				
b.				
c. Addnl Child Tax Credit		(1,000.00)		
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>		26,406.00		
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>				
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>		26,406.00		

Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2014	Period End	Period End
a. Accuracy-IRC 6662	5,281.20		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	5,281.20		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00		
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	26,406.00		
b. Penalties (Line 18) - computed to 06/23/2017	5,281.20		
c. Interest (IRC § 6601) - computed to 07/23/2017	2,681.57		
d. TMT Interest - computed to 07/23/2017 (on TMT underpayment)	0.00		
e. Amount due or refund - (sum of Lines a, b, c and d)	34,368.77		

**Other Information:**

Examiner's Signature: Name MARY K HUDDLESTON	Employee ID: 1000848025	Office:	Date: 06/23/2017
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0001

To: (Name of Taxpayer and Company Division or Branch)  
**BRANDON TANKERSLEY**

Subject  
Form 1040 Exam, 2012

SAIN number Submitted to:  
**BRANDON TANKERSLEY**

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212

It is important that you have the following information available for our appointment scheduled for September 28, at 9:00 am, at your power of attorney's office located at 4295 Cromwell Road, Suite 305, Chattanooga, TN. It will permit the examination to be completed as soon as possible. Thank you for your cooperation.

- 1 Copy of the following tax returns for inspection:
  - A. Complete copy of form 1040 for 2012 to include supporting worksheets, and copies of returns for 2011, 2013, 2014 and 2015.
  - B. Any 1099 information returns issued for 2012 include the Form 1096.
  - C. Copies of Forms 1099 issued for Rent, Repairs and Maintenance, and Legal and Professional fees. Include copies of books and records of payments made.
- 2 Your original accounting records and books:
  - A. Cash Receipts Journal (Record of business income). Information on how gross receipts were calculated, and documentation to support the calculation (e.g.: invoices, contracts, cash register receipts, etc.)
  - B. Cash Disbursements Journal (Record of Business expenses).
  - C. Sales and Purchases Journal, if applicable.
  - D. General Ledger and any subsidiary Ledgers, such as Accounts Receivable and Payable, if applicable.
  - E. All Journal entries, including Adjusting and Closing entries.
- 3 Copy of your financial statement for 2012, if one was prepared.
- 4 Any schedules or work papers which reconcile the tax return to the records and books.
- 5 All bank statements for all accounts (both business and personal, savings and checking) for the period beginning with December 2011 through and including January 2013.

Information due by 09/28/2016

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

08/19/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or 423-855-6008  
Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0001

To: (Name of Taxpayer and Company Division or Branch)

BRANDON TANKERSLEY

Subject

Form 1040 Exam, 2012

SAIN number

Submitted to:

BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212

- 6 Internet merchant bank account statements and/or other reports of individual electronic payment transactions for the period beginning with December 2011 through and including January 2013.
- 7 PayPal and any other e-payment provider's monthly account statements, downloaded history logs and other special reports for the period beginning with December 2011 through and including January 2013.
- 8 History of individual transactions and value on prepaid or stored value cards for the period beginning with December 2011 through and including January 2013.
- 9 Periodic statements for all personal and business credit cards owned for the period beginning with December 2011 through and including January 2013.
- 10 Investment account and brokerage statements for the period beginning with December 2011 through and including January 2013.
- 11 Documentation of all non-taxable sources of income such as the proceeds of loans, gifts, tax refunds, or tax-exempt interest.
- 12 Copy of any loan agreements for loans existing in **2012**, including a record of all payments of principal or interest.
- 13 Invoices and financing statements on all major business asset purchases for 2012.
- 14 Your fixed asset schedule and depreciation work papers.

Information due by 09/28/2016

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

08/19/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or 423-855-6008  
Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0001

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam, 2012

SAIN number Submitted to:  
BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212

- 15 Copy of insurance policies and premium notices for insurance claimed as a business expense.
- 16 Documentation to support car and truck expenses.
- A. Repair receipts, inspection slips, or any other records to show total mileage driven for the year
  - B. Log books and other records verifying the business mileage claimed
  - C. If you did not keep a log or other formal records of your business mileage, reconstruct the business use of the vehicle. This information should include current mileage reading on the vehicle used for business purposes, mileage reading on the vehicle when you acquired it, mileage reading for January 1 and December 31 of the year being audited, and mileage distance between your residence and your business location. Also bring an appointment book or calendar of your business activities during the year  
If you claimed actual expenses, invoices and cancelled checks for automobile expenses you incurred during the year. These include gas, oil, tires, repairs, insurance, interest, tags and taxes
  - D. For depreciation of actual expenses provide a bill of sale or other verification to establish the cost or other basis of the vehicle, including the trade-in of another vehicle
- 17 Verification of amount paid for utilities expense. (e.g., cancelled checks, receipts, invoices, etc.) Copy of bills showing the name of person responsible for payments and the address where the service is provided.
- 18 Substantiation for Other expenses.
- A. Explanation of how the expense related to your business, including a description of the item. Cancelled checks and receipts verifying the expenses.

Information due by 09/28/2016

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

08/19/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or 423-855-6008  
Fax: 877-237-0438



Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0001

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam, 2012

SAIN number	Submitted to: BRANDON TANKERSLEY
-------------	-------------------------------------

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212

- 19 Information regarding the home purchased and repayment of the First Time Home Buyer's Credit. Specifically, the address of the home purchased, status of home at this time, taxpayer's current address, and time line of addresses in between.
- 20 Copy of any prior audit reports.
- 21 A tour of the business needs to be scheduled.
- 22 Any other documents, records or information which may be helpful to explain your tax return and expedite the examination and were used to prepare your tax return.

**\*\*\* Additional documentation may be requested as the audit proceeds \*\*\***

During our initial meeting, we will discuss a mutual commitment date. A mutual commitment date is a mutually agreed date that we both expect the examination to be completed. In order to meet this commitment date, it is important that all parties work together and respond timely to requests for information. To help us meet this goal, we will only request information twice. In our initial meeting, we will agree upon an amount of time for you to provide the information requested; i.e. one week, two weeks, etc. You will be given the previously agreed upon amount of time to respond to each request. If the information is not provided after the second request, then we will either issue a summons for the information or disallow the item for lack of substantiation. Additionally, it is important that the person that has firsthand knowledge of the business operations

Information due by 09/28/2016

At next appointment

Mail in

From:	Name and Title of Requester	Employee ID number	Date (mmddyyyy)
	MARY K HUDDLESTON, Revenue Agent	1000848025	08/19/2016
	Office Location: 5740 Uptain Rd., Suite 7800 Chattanooga, TN 37411		Phone: 423-305-2282 or 423-855-6008 Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0001

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam, 2012

SAIN number	Submitted to: BRANDON TANKERSLEY
-------------	-------------------------------------

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212

and/or the return be at the initial meeting, for the completion of the initial interview and the tour of the business.

We encourage you to visit the following website: <https://www.irs.gov/businesses/small-businesses-self-employed/irs-audits>. The web site provides information on the audit process, and includes a link to a video titled "Your Guide to an IRS Audit". The video may answer many of your questions, and will help you better understand the audit process:

Information due by 09/28/2016

At next appointment

Mail in

From:

Name and Title of Requester

Employee ID number

Date (mmddyyyy)

MARY K HUDDLESTON, Revenue Agent

1000848025

08/19/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or 423-855-6008  
Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0002

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Expanded Exam

SAIN number

Submitted to:

BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested Tax Period(s):  
201212, 201412, 201512

The examination of your Federal Income Tax Return has expanded into the subsequent years of 2014 and 2015. It is important that you have the following information available for our appointment scheduled for November 16, at 9:00 am, at your power of attorney's office located at 4295 Cromwell Road, Suite 305, Chattanooga, TN. It will permit the examination to be completed as soon as possible. Thank you for your cooperation.

- 1 Copy of the following tax returns for inspection:
  - A. Any 1099 information returns issued and include the Form 1096.
- 2 Your original accounting records and books:
  - A. Cash Receipts Journal (Record of business income). Information on how gross receipts were calculated, and documentation to support the calculation (e.g.: invoices, contracts, cash register receipts, etc.)
  - B. Cash Disbursements Journal (Record of Business expenses).
  - C. Sales and Purchases Journal, if applicable.
  - D. General Ledger and any subsidiary Ledgers, such as Accounts Receivable and Payable, if applicable.
  - E. All Journal entries, including Adjusting and Closing entries.
- 3 Copy of your financial statement, if one was prepared.
- 4 Any schedules or work papers which reconcile the tax return to the records and books.
- 5 All bank statements for all accounts (both business and personal, savings and checking) for the period beginning with December 2011 through and including January 2016.

Information due by 11/16/2016

At next appointment



Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

10/06/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-855-6008  
Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

Request Number

## Information Document Request

0002

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Expanded Exam

SAIN number Submitted to:  
BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested Tax Period(s):  
201212, 201412, 201512

- 6 Internet merchant bank account statements and/or other reports of individual electronic payment transactions for the period beginning with December 2011 through and including January 2016.
- 7 Periodic statements for all personal and business credit cards owned for the period beginning with December 2011 through and including January 2016.
- 8 Investment account and brokerage statements for the period beginning with December 2011 through and including January 2016.
- 9 Documentation of all non-taxable sources of income such as the proceeds of loans, gifts, tax refunds, or tax-exempt interest.
- 10 Copy of any loan agreements for loans, including a record of all payments of principal or interest.
- 11 Invoices and financing statements on all major business asset purchases.
- 12 Your fixed asset schedule and depreciation work papers.
- 13 Copy of insurance policies and premium notices for insurance claimed as a business expense.
- 14 Documentation to support car and truck expenses.
  - A. Repair receipts, inspection slips, or any other records to show total mileage driven for the year
  - B. Log books and other records verifying the business mileage claimed

Information due by 11/16/2016

At next appointment

Mail in

From:

Name and Title of Requester

Employee ID number

Date (mmddyyyy)

MARY K HUDDLESTON, Revenue Agent

1000848025

10/06/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-855-6008  
Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0002

To: (Name of Taxpayer and Company Division or Branch)  
**BRANDON TANKERSLEY**

Subject  
Expanded Exam

SAIN number

Submitted to:

**BRANDON TANKERSLEY**

Dates of Previous Requests (mmddyyyy)

Description of documents requested Tax Period(s):  
201212, 201412, 201512

- C. If you did not keep a log or other formal records of your business mileage, reconstruct the business use of the vehicle. This information should include current mileage reading on the vehicle used for business purposes, mileage reading on the vehicle when you acquired it, mileage reading for January 1 and December 31 of the year being audited, and mileage distance between your residence and your business location. Also bring an appointment book or calendar of your business activities during the year
  - D. If you claimed actual expenses, invoices and cancelled checks for automobile expenses you incurred during the year. These include gas, oil, tires, repairs, insurance, interest, tags and taxes
  - E. For depreciation of actual expenses provide a bill of sale or other verification to establish the cost or other basis of the vehicle, including the trade-in of another vehicle
- 15 Verification of amount paid for utilities expense. (e.g., cancelled checks, receipts, invoices, etc.) Copy of bills showing the name of person responsible for payments and the address where the service is provided.
- 16 Substantiation for Other expenses.  
A. Explanation of how the expense related to your business, including a description of the item. Cancelled checks and receipts verifying the expenses.
- 17 Information regarding the home purchased and repayment of the First Time Home Buyer's Credit. Specifically, the address of the home purchased, status of home at this time, taxpayer's current address, and time line of addresses in between.
- 18 Copy of any prior audit reports.
- 19 A tour of the business needs to be scheduled.

Information due by 11/16/2016

At next appointment

Mail in

From:

Name and Title of Requester

**MARY K HUDDLESTON, Revenue Agent**

Employee ID number

1000848025

Date (mmddyyyy)

10/06/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-855-6008

Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0002

To: (Name of Taxpayer and Company Division or Branch)

BRANDON TANKERSLEY

Subject  
Expanded Exam

SAIN number

Submitted to:

BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested Tax Period(s):

201212, 201412, 201512

20 Any other documents, records or information which may be helpful to explain your tax return and expedite the examination and were used to prepare your tax return.

**\*\*\* Additional documentation may be requested as the audit proceeds \*\*\***

Information due by 11/16/2016

At next appointment



Mail in



From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

10/06/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-855-6008  
-Fax: 877-237-0438

Form <b>4564</b> (Rev. September 2006)	Department of the Treasury – Internal Revenue Service <b>Information Document Request</b>	Request Number 0003
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To: (Name of Taxpayer and Company Division or Branch) BRANDON TANKERSLEY	Subject Form 1040 Exam	
	SAIN number	Submitted to: BRANDON TANKERSLEY
	Dates of Previous Requests (mmddyyyy)	

Description of documents requested  
Tax Period(s): 201212; 201412; 201512

The next appointment in the examination of your 2012, 2014, and 2015 tax returns is scheduled for January 9, 2017, at 9:00 am, at your power of attorney's office located at 4295 Cromwell Road, Suite 305, Chattanooga, TN.

The following information has not been received although it was requested on October 6, 2016, when the examination of your Federal Income Tax Return was expanded from 2012 to the subsequent years of 2014 and 2015.

- 1 Copy of the following tax returns for inspection:
  - A. Any 1099 information returns issued and include the Form 1096.
  - B. Documentation to support payments for contract labor, and labor listed in Other Expenses. (Who was paid, individual and total amounts paid, date of payments, social security numbers, addresses, etc)
- 2 Your original accounting records and books:
  - A. Cash Receipts Journal (Record of business income). Information on how gross receipts were calculated, and documentation to support the calculation (e.g.: Billing invoices, contracts, charge transactions, cash register receipts, etc.)
- 3 All bank statements for all accounts (both business and personal, savings and checking) for the period beginning with December 2013 through and including January 2016.
- 4 Internet merchant bank account statements and/or other reports of individual electronic payment transactions for the period beginning with December 2013 through and including January 2016.

Information due by <u>01/09/2017</u>		At next appointment <input checked="" type="checkbox"/>	Mail in <input type="checkbox"/>
From:	Name and Title of Requester MARY K HUDDLESTON, Revenue Agent	Employee ID number 1000848025	Date (mmddyyyy) 12/07/2016
	Office Location: 5740 Uptain Rd., Suite 7800 Chattanooga, TN 37411		Phone: 423-305-2282 or 423-855-6008 Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0003

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam

SAIN number

Submitted to:

BRANDON TANKERSLEY.

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

- 5 Periodic statements for all personal and business credit cards owned for the period beginning with December 2011 through and including January 2016.
- 6 Investment account and brokerage statements for the period beginning with December 2011 through and including January 2016.
- 7 Documentation of all non-taxable sources of income such as the proceeds of loans, gifts, tax refunds, or tax-exempt interest.
- 8 Copy of any loan agreements for loans, including a record of all payments of principal or interest.
- 9 Copy of insurance policies and premium notices for insurance claimed as a business expense.
- 10 Documentation to support car and truck expenses.
  - A. Repair receipts, inspection slips, or any other records to show total mileage driven for the year
  - B. Log books and other records verifying the business mileage claimed
  - C. If you did not keep a log or other formal records of your business mileage, reconstruct the business use of the vehicle. This information should include current mileage reading on the vehicle used for business purposes, mileage reading on the vehicle when you acquired it, mileage reading for January 1 and December 31 of the year being audited, and mileage distance between your residence and your business location. Also bring an appointment book or calendar of your business activities during the year
  - D. If you claimed actual expenses, invoices and cancelled checks for automobile expenses you incurred during the year. These include gas, oil, tires, repairs, insurance, interest, tags and taxes

Information due by 01/09/2017

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

12/07/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438



Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0003

To: (Name of Taxpayer and Company Division or Branch)  
BRANDON TANKERSLEY

Subject  
Form 1040 Exam

SAIN number Submitted to:  
BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

E. For depreciation of actual expenses provide a bill of sale or other verification to establish the cost or other basis of the vehicle, including the trade-in of another vehicle

11 Substantiation for Other expenses.

A. Explanation of how the expense related to your business, including a description of the item. Cancelled checks and receipts verifying the expenses.

12 Information regarding the home purchased and repayment of the First Time Home Buyer's Credit. Specifically, the address of the home purchased, status of home at this time, taxpayer's current address, and time line of addresses in between.

13 A tour of the business needs to be scheduled.

The following additional information is requested:

- 1 Documentation to support the Self Employed Health Insurance Deduction taken in 2014 and 2015.
- 2 Substantiation for Advertising Expenses for all years.
- 3 Information and substantiation to support the Amortization Expense.

**\*\*\* Additional documentation may be requested as the audit proceeds \*\*\***

Information due by 01/09/2017

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

12/07/2016

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438

Form **4564**  
(Rev. September 2006)

Department of the Treasury – Internal Revenue Service

## Information Document Request

Request Number

0004

To: (Name of Taxpayer and Company Division or Branch)

BRANDON TANKERSLEY

Subject

Income Tax Examination 2012, 2014, 2015

SAIN number

Submitted to:

BRANDON TANKERSLEY

Dates of Previous Requests (mmddyyyy)

Description of documents requested

Tax Period(s): 201212; 201412; 201512

The examination of your Federal Income Tax Returns for calendar years ending December 31, 2012, December 31, 2014, and December 31, 2015 continues.

Please provide the following information:

1. Documentation to support the Net Operating Loss Carryforward in the amount of \$17,924.
2. Any other documents, records or information which may be helpful to explain your tax return and expedite the examination and were used to prepare your tax return.
3. An updated Power of Attorney, Form 2848, which includes the tax years beyond 2013.

Contact me at 423-855-6008 or 423-305-2282, should you have any questions and to schedule meeting to provide me the records. Please contact me no later than April 13, 2017.

\*\*\* Additional records may be requested throughout the exam. \*\*\*

Information due by 04/13/2017

At next appointment

Mail in

From:

Name and Title of Requester

MARY K HUDDLESTON, Revenue Agent

Employee ID number

1000848025

Date (mmddyyyy)

04/03/2017

Office Location: 5740 Uptain Rd., Suite 7800  
Chattanooga, TN 37411

Phone: 423-305-2282 or  
423-855-6008 Fax: 877-237-0438

Form: F1040

**Variance Summary**

	Per Return	Calculated	Variance
Schedule D Income	0.00	0.00	0.00
Form 8903	0.00	0.00	0.00
Adjusted Gross Income	17,456.00	17,456.00	0.00
Standard Deduction	6,200.00	6,200.00	0.00
Schedule A	0.00	0.00	0.00
Exemption Amount	7,900.00	7,900.00	0.00
Taxable Income	3,356.00	3,356.00	0.00
Tax including excess advance PTC	338.00	338.00	0.00
Form 6251	0.00	0.00	0.00
Form 2441	338.00	338.00	0.00
Form 8863	0.00	0.00	0.00
Form 8880	0.00	0.00	0.00
Child Tax Credit	0.00	0.00	0.00
Form 5695	0.00	0.00	0.00
Nonrefundable Credits: Other	0.00	0.00	0.00
Schedule SE	7,911.00	7,911.00	0.00
Form 4137	0.00	0.00	0.00
Form 8919	0.00	0.00	0.00
Schedule H	0.00	0.00	0.00
Gd` leg b` qd9mchulct` kqpr onrr lalltsx	143.00	143.00	0.00
Other Taxes	0.00	0.00	0.00
Total Tax	8,554.00	8,554.00	0.00
Schedule EIC	0.00	0.00	0.00
Form 8812	1,000.00	1,000.00	0.00
Refundable Credits: 8863	0.00	0.00	0.00
Refundable Credits: 8962	0.00	0.00	0.00
Refundable Credits: Other	0.00	0.00	0.00

Name and Address of Taxpayer  BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer Identification Number 259-51-7291	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2014	Period End	Period End
a. Other Income	2,051.00		
b. Taxable Interest	12.00		
c. Sch C1 - Expenses for Business Use of Home	1,032.00		
d. Sch C1 - Contract labor	8,500.32		
e. Self-Employed Health Insurance	16,655.00		
f. Sch C1 - Other Expenses - Website Fees	4,200.00		
g. Sch C1 - Oth Expenses - Amortization	1,666.00		
h. Sch C1 - Advertising	34,775.00		
i. Sch C1 - Utilities	2,736.00		
j. NOL Carryforward	17,924.00		
k. SE AGI Adjustment	(3,738.00)		
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	<b>85,813.32</b>		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	<b>3,356.00</b>		
<b>4. Corrected Taxable Income</b>	<b>89,169.00</b>		
Tax Method	TAX TABLE		
Filing Status	Single		
<b>5. Tax</b>	<b>18,150.00</b>		
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	<b>18,150.00</b>		
<b>8. Less Credits</b>			
a. Child Care Credit	220.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	<b>17,930.00</b>		
<b>10. Plus Other Taxes</b>			
a. Shared responsibility payment (as reported)	143.00		
b. Self Employment Tax	15,387.00		
c. First-Time Homebuyer Credit Repayment	500.00		
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	<b>33,960.00</b>		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	<b>8,554.00</b>		
<b>13. Adjustments to:</b>			
a.			
b.			
c. Addnl Child Tax Credit	(1,000.00)		
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	<b>26,406.00</b>		
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	<b>26,406.00</b>		


Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2014	Period End	Period End
a. Accuracy-IRC 6662	5,281.20		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	5,281.20		
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00		
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	26,406.00		
b. Penalties (Line 18) - computed to 06/23/2017	5,281.20		
c. Interest (IRC § 6601) - computed to 07/23/2017	2,681.57		
d. TMT Interest - computed to 07/23/2017 (on TMT underpayment)	0.00		
e. Amount due or refund - (sum of Lines a, b, c and d)	34,368.77		

**Other Information:**

Examiner's Signature: Name 	Employee ID: 1000848025	Office:	Date: 06/23/2017
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/23/2017  
18.20.00

201412 - FORM 2441 - CHILD AND DEPENDENT CARE EXPENSES

Credit for Child and Dependent Care Expenses

1. Qualified expense incurred and paid	1,100.00	0.00
2. Total of qualified expenditures, incurred and paid		1,100.00
3. Enter 3,000.00 ( 6,000.00 if two or more qualifying persons). If employer provided benefits received, enter amount from line 29		1,100.00
4. Earned income		101,206.00
5. Earned income of spouse if applicable; otherwise, enter amount from line 4		101,206.00
6. Smaller of line 2, 3, 4, or 5		1,100.00
7. Adjusted gross income		103,269.00
8. Percentage applicable to amount on line 7		20.00%
9. Multiply line 6 by line 8		220.00
10. Child and dependent care credit - tentative		220.00
11. Child and dependent care credit - limitation		18,150.00
12. Child and dependent care credit - allowed		220.00

Dependent Care Benefits

13. Employer provided dependent care benefits utilized in the current year		0.00
14. Qualified expenses incurred, regardless of when paid		1,100.00
15. Smaller of line 13 or 14		0.00
16. Earned income		101,206.00
17. Earned income of spouse if applicable; otherwise, enter amount from line 16		101,206.00
18. Smaller of lines 15, 16, or 17		0.00
19. Enter \$5,000 (or \$2,500 if married filing separately and not considered unmarried)		5,000.00
20. Amount from line 13 received from sole proprietorship or partnership; if Form 1040A, skip to line 23		0.00
21. Subtract line 20 from line 13		0.00
22. Deductible benefits. Smaller of line 18, 19, or 20		0.00
23. Excluded benefits. Subtract line 22 from the smaller of line 18 or 19; if line 20 is 0 or if Form 1040A, smaller of line 18 or 19		0.00
24. Taxable benefits. Subtract line 23 from line 21; if Form 1040A, subtract line 23 from line 13		0.00
25. Enter 3,000.00 (6,000.00 if two or more qualifying persons)		3,000.00
26. Add lines 22 and 23; if Form 1040A, enter amount from line 23		0.00
27. Subtract line 26 from line 25		3,000.00
28. If line 2 equals line 14, subtract lines 22 and 23 from line 2; otherwise, enter line 2 amount		1,100.00
29. Smaller of line 27 or 28		1,100.00

Name of Taxpayer: BRANDON TANKERSLEY

06/23/2017

Identification Number: 259-51-7291

Total

18.20.00

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**2014 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	103,269.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	29,000.00
5. Multiply line 4 by .05	1,450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	26,406.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	5,281.20
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	5,281.20

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	26,406.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	26,406.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

### HOW TO PAY YOUR TAXES

If you agree with our examination, pay now by sending a check or money order payable to United States Treasury and your signed agreement. The enclosed report does not reflect any balance currently due on your account.

Why it is to your advantage to pay now:

- Decreases future interest charges
- Prevents assessment of failure to pay penalty
- Reduces payment of nondeductible interest
- Eliminates further contact with us

If you agree with our examination and cannot pay now:

- 1) Can you pay the full amount within 120 days?  Yes  No
  - If yes, send in the signed agreement now and submit the balance due when you receive a bill. Checks should be made payable to United States Treasury.
  - If no, you may be eligible for a payment plan.
- 2) If you would like us to consider an installment agreement, submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ \_\_\_\_\_ per month.

(We encourage you to make your payments as large as possible to limit penalty and interest charges.)

I would like my payment to be due on the \_\_\_\_\_ of the month.

(Please indicate a date between the 1<sup>st</sup> and 28<sup>th</sup> of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: (    ) \_\_\_\_\_

Work: (    ) \_\_\_\_\_

ALSO, if you agree with our examination, PLEASE SIGN PAGE 2 OF THE REPORT (Form 4549) and return pages 1 and 2 to us.

\* Interest and applicable penalties will continue to accrue until your balance is paid in full.

\* All checks or money orders for payment should be made payable to United States Treasury.

Name Of Taxpayer: BRANDON TANKERSLEY

06/23/2017

Identification Number: 259-51-7291

Total

18.20.00

2014 TAX YEAR INTEREST COMPUTATION

Interest computed to 07/23/2017

Total Tax Deficiency \$26,406.00

Plus Penalties\*

Failure to File - IRC 6651	\$ .00
Accuracy Related Penalty - IRC 6662	\$5,281.20
Accuracy Related Penalty - IRC 6662A	\$ .00
Civil Fraud - IRC 6663	\$ .00
Manually Computed Penalty	\$ .00

Total Penalties Subject to Interest \$5,281.20

Tax Deficiency and Penalties Subject to Interest \$31,687.20

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2015--12/31/2015	260	3%	\$684.41
Compound	01/01/2016--03/31/2016	91	3%	\$242.35
Compound	04/01/2016--12/31/2016	275	4%	\$995.02
Compound	01/01/2017--07/23/2017	204	4%	\$759.79

Total Interest \$2,681.57

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/23/2017  
18.20.00

Total

2014 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	108,900.32
2. Multiply line 1 by 92.35%	100,569.45
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	100,569.45
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	117,000.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,470.61
13. Multiply line 5 by 2.90%	2,916.51
14. Self-employment tax (sum of lines 12 and 13)	15,387.12

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	117,000.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2014

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$3,956.00	\$7,694.00	(\$3,738.00)

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2014	\$7,911.00	\$15,387.00	\$7,476.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Cancelation of Debt Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	.00	2,051.00	2,051.00	508-2
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i> Issue is adjusted to include amounts not previously on the return.				
<b>Facts:</b> <i>(Document the relevant facts.)</i> The amount of a debt, no longer owed is taxable income. Taxpayer did not include the amount of Cancelation of Debt received on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i> IRC Section: §61 Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i> Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Interest Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	.00	11.00	11.00	507-2
201412	.00	12.00	12.00	507-3
201512	.00	12.00	12.00	507-4
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amounts not previously on the tax returns.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received interest income and did not include the amounts on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: 61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Business Use of Home</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	620.00	.00	620.00	See below
201412	1,032.00	.00	1,032.00	See below
201512	750.00	.00	750.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow Business Use of the Home.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
To qualify for deductions, the area in the home used for business must be used regularly and exclusively as the principal place of business. Any personal use of the space, no matter how small, means the exclusive use test is failed. No tour of business was completed to observe the business use area. Additionally, depreciation is only allowed for home owners. Taxpayer did not own the business address listed on the tax return of 848 Grove Circle Avenue, Cleveland, TN.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: §162, 212 & 167				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Contract Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	8,929.00	428.68	8,500.32	See below
201512	6,890.00	.00	6,890.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Contract labor is an ordinary and necessary business expense. However, if \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. Taxpayer provided limited substantiation to support the Contract Labor deduction in 2014 and no substantiation was provided for 2015. .				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



## 2014 Sch C - Contract Labor

**Taxpayer:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/2017

For S/D (Source Document) column, utilize the following abbreviations:  
 cc - canceled check    st - statement    ot - oral testimony    r - receipt

Paid To	cc	Per Return	Per Exam	Adjustment	Comments
Per Return		8,929.00			
Oz Moving and Storage	r		428.68		6/21/14
<b>Total</b>		8,929.00	429.00	8,500.00	

**Comments:**

Payments made for contract labor are ordinary and necessary business expenses. Any individual paid more than \$600 should receive a Form 1099 for the total amount of services provided during the year. Business records should show gross income, deductions, and credits. Records should also be supported with sales slips, invoices, receipts, canceled checks, etc.

Taxpayer provided limited substantiation to support the contract labor deduction.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Self Employment Health Insurance Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	16,655.00	.00	16,655.00	See below
201512	8,334.00	.00	8,334.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amounts.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Health insurance premiums paid on behalf of the sole proprietor are deducted as an adjustment to income. The insurance can cover the proprietor, and his dependents. The deduction is limited to the net profit from Schedule C minus the deductions for self-employment tax and for contributions for the sole proprietor's benefit to a retirement plan.				
Taxpayer did not provide any substantiation to support the health insurance deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: §162(l)				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Website Fees Expense Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	4,200.00	.00	4,200.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<b>Facts:</b> (Document the relevant facts.)				
Taxpayer operates a moving company in Cleveland, TN. Website fees are an ordinary and necessary business expense. However, business records should show gross income, deductions, and credit. Records should also be supported with sales slips, invoices, receipts, canceled checks, etc.				
Taxpayer did not provide substantiation for the website fees deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/27

<b>Amortization Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	1,667.00	.00	1,667.00	See below
201412	1,666.00	.00	1,666.00	See below
201512	1,667.00	.00	1,667.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow the Amortization Expense.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer did not provide any substantiation or records to support the amortization expense claimed on the return. The item is disallowed as an ordinary and necessary business expense.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Advertising Expense Lead Sheet</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	19,099.00	5,320.00	13,779.00	501-2
201412	34,775.00	.00	34,775.00	See below
201512	58,351.00	.00	58,351.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amounts.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Advertising expenses must bear a reasonable relationship to the business activity. Business records should show gross income, deductions, and credit. Records should also be supported with contracts sales slips, invoices, receipts, canceled checks, etc.				
Taxpayer did not provide complete substantiation for the advertising deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Utilities Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	3,070.00	.00	3,070.00	See below
201412	2,736.00	.00	2,736.00	See below
201512	.00	.00	.00	
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Utilities are disallowed as a business expense.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. He provided copies of utility bills for electricity and water for 2012 for the address 318 Farmway Dr., Cleveland, TN. However, the tax return has a different address where the taxpayer claimed Business Use of the Home. Taxpayer did not provide an explanation for electricity and water at the Farmway Dr address as an ordinary and necessary business expense for his moving company.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Net Operating Loss (NOL) Carryforward Deduction</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	(17,924.00)	.00	17,924.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow the NOL Carryforward completely; taxpayer did not substantiate the issue.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Based on information discovered during the exam, and adjustments made to the tax returns for 2012, 2014, and 2015, the NOL Carryforward from 2013 is disallowed. No documentation to support the NOL Carryforward was provided to the examiner.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 172				
Specific citations:				
Taxpayer Position: <i>(If applicable)</i>				
Unknown.				



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K.

**Date:** 6/22/17

### Sch C1 - Gross Receipts or Sales Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	176,695.00	176,695.00	.00	See below
201412	185,803.00	185,803.00	.00	See below
201512	208,031.00	208,031.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Gross Receipts are accepted as filed.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. He operates the business using the cash method of accounting. For 2012, bank deposits were used to determine income. Additionally, taxpayer provided copies of some merchant statements for 2012.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §61

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Car &amp; Truck Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	24,401.00	24,401.00	.00	See below
201412	42,794.00	42,794.00	.00	See below
201512	51,324.00	51,324.00	.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Car and Truck expenses are accepted as filed.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Taxpayer provided copies of receipts for fuel purchases.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: §162				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

IMFOLR259-51-7291 30201412P01 IMF POSTED TC150 RETURN NM CTRL:TANK WEEKLY  
 30211-507-28245-5 UP-CYC:2801

MATH ERR: CYCLE:20151805 SELF :1  
 SCHEDULE C:Y CHECKBOX :1 POSTING DATE:04-15-2015 SPOUSE:0  
 SCHEDULE D:N NAICS CODE :484110 FTP START DT:06-15-2015 CHILDREN HOME: 1  
 SCHEDULE F:N PREPARER CODES:A RET PROCESS : CHILDREN AWAY: 0  
 FORM 2555 :N DELINQUENT MOS: CSED :05-25-2025 PARENTS AT HOME:0  
 ISSC :L PREPARER :11291 POLITICAL CHECKOFF: 0 OTHER CHILDREN: 0  
 CISSC :L BUSINESS EIN: ELDERLY CREDITS: 0 OTHER EXEMTNS: 0  
 HIGH-INC :0 SCHEDL F EIN: ES TAX FORGIVNESS: 00% EIC EXEMPTION: 0  
 ES DISC : CCC: ES PENLTY EXCPTN 5: 0 F8913 IND:0  
 INDS: NEW TPI CLASS:76  
 WAGES .00 TOTAL TAX 8,411.00 WITHOLDNG .00  
 INTRST INC .00 TENTTAX CMP 338.00 REMITANCE .00  
 ITEMZD DED .00 TOT TAX -IRA 8,411.00 CRED ELEC .00  
 TXBLE INC 3,356.00 SE TAX 7,911.00 ADVND EIC .00  
 T. POS INC 55,991.00 AGI 17,456.00 ES TX CRE .00  
 NET INV IN .00 TOTAL APTC .00 ES TX BSE 7,411.00  
 NET INV TX .00 TOTAL PTC .00 PY ES TXB 500.00  
 SS ADD CMP .00 APTC REPMT .00 TREC FTHB 500.00  
 RR ADD CMP .00 LIMIT AMT .00 PTC EXPSR .00

PAGE 001 OF 002 IMFPG 002 DS:R

IMFOLR259-51-7291 30201412P02 IMF POSTED TC150 RETURN NM CTRL:TANK WEEKLY  
 30211-507-28245-5 UP-CYC:2801

TAX SHOWN 7,411.00 TAX ASSED 7,411.00

	PRIMARY	SECONDARY
SELF EMPLOYMENT INCOME	51,707.00	.00
SOCIAL SECURITY MEDICARE	51,707.00	.00
TOTAL WAGES	.00	.00
SOCIAL SECURITY WAGES (COMPUTER)	.00	.00
MEDICARE TIP	.00	.00
UNREPORTED TIP INCOME	.00	.00

PAGE 002 OF 002 IMFPG 001 DS:R

IMFOLT259-51-7291 30201412P01 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 30211-507-28245-5 SPSSN UP-CYC:2801  
 BRANDON TANKERSLEY TOT EXEMPTIONS:02 BFS :  
 FSC:1 STATUS:12 STATUS DATE:05252015 AIMS :0  
 NEXT CSED:05-25-2025 ASSESSD BAL: .00 SETTL DATE:05252015 LIEN :  
 LAST CSED:05-25-2025 TOT INTERST: .00 INTEREST DATE:06052017 BWI :  
 FIRST CSED:05-25-2025 INT ASSESSD: .00 DISASTER RDD : BWNC :0  
 ASED:04-15-2018 INT PAID: .00 DISASTERSTART: CC81 :0  
 RSED:04-15-2018 FTP TOTAL: .00 GOVERN SC:28 HIST LC:62 CC85 :0  
 FREEZE: -L FTP ASSESSD: .00 MATH IN: TDA COPY: TC914:0  
 INDICATORS: CAF :5  
 EFT-IND:9 DDRC:00 PDC-CD:00 SBND1:00 SBND2:00 SBND3:00 MEFBI:0 ARDI :0  
 SETTL CYC:20151805 FEB15 RFND FRZ:0 LEVY-971-IND:00  
 TC DATE AMOUNT CYCLE DLN VARIABLE DATA  
 150 05252015 8,411.00 20151805 30211-507-28245-5 RECEIVED-DATE: 04152015  
 610 04192015 7,564.00- 20151705 39270-116-23608-5 CDDDB36052015116001083154  
 766 04152015 1,000.00- 20151805 30211-507-28245-5 REF-NUM:336  
 971 05252015 .00 20151805 30277-507-28245-5 XREF35201412  
 ACT-CD: 530 MEMO: 143.00  
 170 05252015 10.00 20151805 30211-507-28245-5 CSED:05252025  
 896 05252015 143.00 20151805 30211-145-28245-5 MFT:35  
 425 10122016 .00 20164105 17277-286-20000-6 SOURCE-CD:10 SPC:0158  
 EGC:1508 PBC:202 SBC:23500  
 PAGE 001 OF 002 IMFPG 002 DS:R

IMFOLT259-51-7291 30201412P02 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 UP-CYC:2801  
 TC DATE AMOUNT CYCLE DLN VARIABLE DATA  
 420 10142016 .00 20164205 17277-288-00000-6 SOURCE-CD:10 PBC:202  
 SBC:23500 EGC:1508  
 960 05112017 .00 20172005 64277-531-04990-7

# Examining Officer's Activity Record

Examining Officer

Date assigned/Opened  
(mmddyyyy)

Taxpayer name and address (Use the preprinted label if possible)

Taxpayer's Representative name and address

Business name and address

Representative has ("x" proper box)

Power of Attorney

Taxpayer Authorization

Residence telephone number ( )

Representative's telephone number ( )

Business telephone number ( )

Fax telephone number ( )

Fax telephone number ( )

## Contacts and Activities

Date (mmddyyyy)	LOC	CONT	Time on Activity	Remarks, Notes, Actions Taken
12-14-17		JW	1.0	> ASSEMBLY CASE FILE - YEARS =
				> VERIFIED FORMS 4549(4605) & 5344 TO TXMODA & AMDISA
				> MADE COPIES OF FORMS 4549/3198 FOR EACH YEAR
				___ INPUT 971/064 _____ EQMS - COMPETED F2275
				___ LTR MAILED - _____ NO LTR REQUIRED
				___ INPUT 971/057 - WORKPAPAERS ON =
				___ IA SENT TO COLLECTIONS - INPUT 971/043
				___ QK ASMNT NEEDED/COMPLETE FORMS 3210/2859 FOR =
				___ ASED EXT =
				___ DMI COMPUTATION FOR RI CASE - TYPED/MAILED 3535 LTR
				___ SFR CASE FILE - INPUT 971/282
				___ PARTIAL ASSMNT DONE _____ MANUAL CLOSURE
				___ Penalty _____ MFT31

CONT = Type of Contact 1. Field Visit 2. Telephone 3. Correspondence 4. Other (explain in remarks)

LOC - Location of Activity T = Taxpayer residence/business R = Representative Office O = Other (explain in remarks)

Workpaper \_\_\_\_\_

**TEFRA/NonTEFRA Instructions for CCP (To be completed by Technical Services or CTF Only)**

**TEFRA Key Case**

Final Closure  906 agreement

**Non-TEFRA Key Case**  Partnership  S-Corp

Unagreed or Undetermined

Agreed or No-Change

**Investor**

Full Closure  Partial Closure

Agreed

No-Change

Survey

906 agreement (see other instructions)

**Transfer to CTF**

BSC

OSC

Other Instructions:

TS/CTF TEFRA Coordinator \_\_\_\_\_

Date \_\_\_\_\_ Telephone number ( ) \_\_\_\_\_

Form 8339 attached

**Special/Restricted Interest Features ("x" all that apply)**

- 6205 Interest Free adjustment date  
*(agreed employment tax returns)*
- 6404(g) Tax Year \_\_\_\_\_ Notice date \_\_\_\_\_ Tax \_\_\_\_\_  
2nd Notice date \_\_\_\_\_ Tax *(tax due on new items or adjustments only)*
- Not applicable
- 6404(g) Tax Year \_\_\_\_\_ Notice date \_\_\_\_\_ Tax \_\_\_\_\_  
2nd Notice date \_\_\_\_\_ Tax *(tax due on new items or adjustments only)*
- Not applicable
- Interest Netting *(a.k.a. global netting or net rate interest due to IRC 6621(d))*
- Rev Rule 99-40 applicable due to credit elect- Completed Form 2210/2220 attached
- Rev Rule 99-40 NOT applicable due to credit elect-Forms 2210/2220 not required
- Multiple Agreements: Date of first RAR \_\_\_\_\_
- NOL and/or Capital Loss Carryback
- GATT *(applicable to corporate overpayments > \$10,000 after 12/31/94)*
- 2% LCU *(Large Corporate Underpayments > \$100K, complete items 3 & 4 on F5344 (if applicable and DC > 03))*
- Other Code Section

Court Decision (if assessment ordered by court order) (CCP instructions-check box for Exam agreed if completing Form 2859)

**Letter Instructions for CCP**

*("x" all that apply)*

- Copy to POA - Letter 937
- Agreed - Letter 987
- Agreed - Letter 1002 *(Forms 1120S/1065/Employment Tax)*
- Agreed - Letter 3382 *(Unpaid Employment Tax)*
- No Change Letters:
  - Letter 590 *(straight N/C)*
  - Letter 1156 *(change/no change)*
  - Letter 992 *(1120S, 1065)*
  - Letter 3381 *(Employment Tax)*
- Claim Letters: *(Completed draft copy enclosed)*
  - Fully Allowed - L570
- Estate Tax Closing Letter 627
- Other Letter \_\_\_\_\_ For Years \_\_\_\_\_
- No letter required to be sent by CCP
- Other Instructions

**Over \$100,000 Agreed and Unpaid**

Agreement Received \_\_\_\_\_ Total Amount of Deficiencies/Overassessments plus Penalties  
*(Not Offset by Overassessments, Over \$100,000 criteria is applied per tax period)* \$ \_\_\_\_\_

	Date Received	Date Closed	Days	Initial	
Examiner	_____	_____	_____	_____	<i>(Explain Days &gt; 4 from Agreement Received Date)</i>
Group Manager	_____	_____	_____	_____	<i>(Explain Days &gt; 4 from Agreement Received Date)</i>

Explanation of Delays:

**Special Handling Notice for Examination Case Processing**

Business Unit ("x" one)

LB&I  SB/SE  W&I  Excise  Estate or Gift  Employment

("x" one and include disk where applicable)

CEAS  Non-CEAS  BNA CTA / EOAD  Employment Tax  Other (explain)

Employee Preparing Form

Field RA Case  Office Audit TCO Case  Campus Exam

Person to contact (Name and SEID) MARY K HUDDLESTON TWGMB

Telephone (423) 855-6008

Primary Business Code 202

Secondary Business Code 23500

Fax (877) 237-0438

Group Number 1508

RGS Identifier/Group ID 52 / G7

Employee ID/Badge No. 1000848025

Case forwarded to RGS file server/date (if applicable) 7/11/17

Manager Initials PH

F895 included (if applicable)

Taxpayer Identification Number (SSN / EIN) 259-51-7291

Case Controlled on ERCS under TIN (for Preparer Penalty cases only)

CIC Case (LB&I only) LB&I CIC Case Projected Closing Date

Earliest Statute Date (include alpha statute AC for key case p'shp) 4/15/18

Taxpayer Name TANKERSLEY, BRANDON

Address (Street, City, State, Zip Code)

2435 Valley Hills Dr NW

CLEVELAND, TN, 37311-3528

POA is valid for Years or Tax Periods 201412

Forms Enclosed

Form 433-D  Form 9440  Form 3177  Form 2159

Form 9465  Form 2363 (Should be faxed/mailed to CCP BEFORE closing)

Expedite Processing ("x" all that apply)

Statute Less Than 90 days (notify CCP or Tech Services of short statute case)

Over \$100,000 Agreed and Unpaid (complete page 2)

Manual Refund  Code Section 6166

Other (explain)

Special Features (NOTE: Appropriate Freeze Code(s) released before sending to CCP)

Amended Return in File and Considered (Form 5344 required)

Surveyed Claim (Form 5344 required)

Change Filing Status to:

Civil Penalties (Form 8278)

CI Freeze (memo to release freeze in case file)

Final-Closure - partial assessment previously completed

Freeze from Refunding (Explain below)

Individual Retirement Account (IRA) Adjustments

Joint Committee (closure types A/NC/Survey) (Fwd to Jt Com Rev Grp St 21, TSC 901)

MFT 31 Adjustment

F5344, item 15 more than 8 ref codes (REQ54 req'd)

Non-Master File (NMF) Examined Cases

Partial Assessment Requested

Preparer Penalty Case, Code Section (forward agreed/unagreed to PSP, update to status 41-SB/SE cases only)

Restricted Interest applies to yr (Form 2285 NOT req'd, see pg 2)

Separate to Joint KEEP THESE CASES TOGETHER

SFR TC 150 Posted - Process delinquent return as partial assessment

SFR TC 150 Posted - Process delinquent return as final closure

Tax Return Conversion (i.e., 1120 to 1120S, 1065 to 1041)

EITC Ban 2 or 10 yr, Priority Code needed

Other Instructions

Related Taxpayers or Key Cases (If more than 6 related TPs or key cases are closing with your case, attach Form 10329)

Name	TIN	MFT	Tax Period

Forward to Technical Services ("x" all that apply) - Update to Status 21

Unagreed for Statutory Notice

Unagreed Bankruptcy

Unagreed to Appeals

Unagreed to Appeals w/Int'l Issue, Activity Code:

Civil Disposition of Joint Investigation-AIMS Freeze Code P (includes Criminal Restitution)

Closing Agreements - Form 906 (if Technical Services signature required)

Employee Audits

Innocent Spouse

Interest Abatement

Jeopardy or Termination

Unagreed Notice of Worker Classification

OIC - Doubt as to Liability

Penalty Abatement

Personal Holding Companies

Qualified Offers-IRC Sec. 7430

Reopening (Memorandum)

Restricted Interest applies to yr (Form 2285 req'd, and no LB&I TCS involvement)

Statutory Notice of Claim Disallowance - Letters 905 and 906

Suspense Cases:  Form 1254  Fraud Suspense  Grand Jury

Hqtrs Form 1260  Sec. 183 (Form 5213)

Protective Claims  Sec. 1033

TEFRA or Non-TEFRA Key Case (Forms 1065, 1120-S, (PICF Codes 1, 2 & 3))

TEFRA or non-TEFRA Investor (PICF Codes 4, 5 & 6)

Other:

Internal Revenue Service  
Received

JUL 13 2017

Technical Service  
Group 25 - Nashville, TN 37203

Forward to CCP - Update to Status 51

Forward to Tech Services - Update to Status 21

Forward to PSP - Update to Status 41

(Examiner to complete all information in this section)

Date Closed to Manager 7/11/17

Manager Name PAM HARDEN

Tax Period (Multiple years of the same TIN)	MFT	NAICS Code	Disposal Code	SRC	Tax Deficiency/Overassessment	Interest	Penalty Code Section	Penalty Amount (no cents)	Adjustment Amount (same as item 34 on F5344)	Agreement Date	Payment F/P/IN/O
201412	30	484110	08		26,406.00	2,681.57	6651(a)(1)	0			N
201412	30						6662(a)	5,281			

TIN	MFT	TAXPD	DATE	DLN
259-51-7291	30	201212	08-25-2024	49-247-452-30737-8

NAME AND NAME CONTROL:  
BRANDON TANKERSLEY  
TANK

## REMARKS:

SPECIAL EXTRACT - OPEN BALANCE DUE (CSED) - SAVE DLN

2018

OPR NO 4999999999



TIN 259-51-7291 TSC I DLN 49 2 47 - 452 - 307 37 - 8  
MFT 30 PERIOD 201212 PLAN 000 INPUT 02-16-2018 EMPL.NO 0376703026  
NAME CONTROL IU CYC DELAY CD 0 TRI SEQUENCE NO 0213  
INT DT 00-00-0000 PRI CD HOLD CD APPL CD DISP CD 10 EXAM RECM

TRANSACTION CODES AND AMOUNTS

300	19,220.00	170	.00	160	4,964.25
	.00		.00		.00

REF NUMBERS AND AMOUNTS/NO CHANGE ISSUE CODES

786	3,971.40	336	637.00-	878	59,367.00
895	59,367.00	889	7,896.00	888	59,755.00
	.00		.00		

SETTLEMENT AMT		AIMS RESULT AMT	19,857.00
AGREEMENT DT - -	CLAIM REJECTION DT - -	ASED - -	
INT TO DT - -	2% INT DT - -	30/90 DT - -	
30/90 AMT			
DMF AGENCY CD 00	MATH ERROR CD		
TXPR CORRESPONDENCE DT - -	CREDIT INT DT - -		

CF5147

PAGE NO 867

# SDNR

03/14/2018

# ATTACHMENT ALERT

CONTROLLING DLN (THIS BLOCK MUST BE COMPLETED)  
49247-452-30737-8

EMPLOYEE IDRS NUMBER: (if not IDRS user, enter first name and last name)  
0376203836

DATE PREPARED:  
2/28/2018

STOP NUMBER AND ALPHA:  
STOP 803

**DO NOT USE THIS FORM TO TRANSMIT RETURNS OR DOCUMENTS TO BE REFILED**  
**THIS FORM IS USED FOR THE SPECIFIC PURPOSE OF ASSOCIATING OR ATTACHING**  
**RETURN INFORMATION TO A RETURN IN THE FILES STORAGE AREA.**

**THIS INFORMATION MUST BE THAT OF THE RETURN TO WHICH THESE ATTACHMENTS SHOULD BE ASSOCIATED.**

EIN/SSN:  
259-51-7291

NAME CONTROL  
TANK

FORM:  
1040

PERIOD ENDING  
201212

## ALERT UNSERVICEABLE

(FRC Use Only)

REASON	DATE SERVICED	RESEARCHER'S NAME	NOTES
<input type="checkbox"/> BLOCK MISSING <input type="checkbox"/> WRONG DLN			
<input type="checkbox"/> WRONG TAXPAYER <input type="checkbox"/> OTHER			

## FILES INSTRUCTIONS

1. If the return is in the block, complete the association process.
2. If the return is missing or charged out, file the Form 9856 and the attachment in the return block.

## ADDITIONAL INSTRUCTIONS

Return information (i.e., schedules, W-2's, correspondence, etc.) must be transmitted to files with Form 9856, "Attachment Alert" using the controlling DLN. The control DLN can be found using CFOL Command Codes.

**DO NOT** attach workpapers and request forms that can be re-created such as: MFTRA prints, TXMOD prints, transcripts, labels, Form 2275, Form 4251, microfilmed copies of checks, etc.

Following is a list of some of the TAX class and DOC codes that should not have attachments associated with them:  
\* Except 070 and 800 blocking series

BMF	IMF	NMF	IRAF/EPMF
117 318 448 717 834 978	204 250	649	001 048
118 319 452 718 839 980	214 251	614	007 049
119 324 458 719 848	217 252		010 050
124 334 487 724 852	218 258		014 052
134 348 517 734 858	219 263		018 053
135 352 518 748 870	220 270		024 058
148 358 524 752 887	224 277		034 063
152 387 534 758 904	234 278		045 077
158 417 545 787 914	248 287		087
170 418 548 817 949	249		
187 419 552 818 950			
304 424 558 819 *963			
317 434 587 824 977			

102

A-  CC TSCLS

E = Long closure

# Examination Closing Record

References: IRM 4.4.12  
AIMS input: IRM 2.8

P1-6 CC AMCLS E

F = Partial closure

I = IRA

S = Separate Spousal Assessment

56 | E

57 | \_\_\_\_\_

Secondary SSN Name Control

U = Unpostable P49-50 | E

P7-18 TIN 259-51-7291		P21-22 MFT 30	P24-29 TAX PERIOD 201212	C-Operator Employee No. Date		D-Reject
P31-34 Name Control TANK		B-Name BRANDON TANKERSLEY		E-Document Locator Number		F-Cor.
Batch Position Indicator (NMF)	P36	Block Number	P38-40 30X	Sequence Number	P45-48	Appeals Office Code <b>16-</b> APPEALS SECTION
Secondary Spouse SSN	01-	0		AMCLSI ONLY	Unagreed Amount Appealed/Petitioned <b>18-</b> <input checked="" type="checkbox"/> No Cents	
& Penalty Reason Code	02-	Letter Date	03-	& NAICS <b>19-</b> 4 1 0		
Letter Amount	04-	<input checked="" type="checkbox"/> No Cents +		Claim Rejn Date <b>20-</b>		
2% Interest Date	05-	# Amount Claimed <b>21-</b> <input checked="" type="checkbox"/> No Cents +				
& Debit Interest "To" Date	6A-	Dollars Protected <b>22-</b> <input checked="" type="checkbox"/> No Cents +				
& Credit Interest	6B-	RBP Hours <b>23-</b> Do not include time entered in item 28.				
& Compute Interest Amount	6C-	Claim Type <b>24-</b> RBP = CLAIM FOR REFUND ONLY				
& Hold Code	07-	Remarks:				
Agreement Date	08-	Examiner's Time <b>28-</b> 31.0 Do not include time entered in Item 23.				
& Priority Code	09-	Examination Technique Code <b>30-</b> 3				
& Interest Compu- tation Date	11-	Examiner's Grade <b>31-</b> 12				
# * Tax, Penalty and Interest Adjustments	12-	Trans. Code 300	19,220.00		Grade of Case <b>32-</b> 221 Related Return = R	
	12-	160	4,964.25		Examiner's Name <b>33-</b> Huddleston, M	
	12-	170	0		Adjustment Amount <b>34-</b> <input checked="" type="checkbox"/> No Cents	
	12-				Manual Assessment Amount <b>35-</b> <input checked="" type="checkbox"/> No Cents	
	12-				# * Hash Total <b>36-</b> 21591887 +	
	12-				Include in hash total all items as follows: P24-29, 12, 15, 18, 21, 22, 23, 28, 34, 35, 44, 46, 402, 403, 404c, 404d, 404e, 414, 415 and 418. For items 12 and 15, include only the amounts to the right of the transaction code and ignore the decimal point.	
	12-				Delinquent Return <b>37-</b> T = Taxpayer R = Return	
	12-				Fraud <b>38-</b> C = Civil F = Criminal B = Both	
# Disposal Code	13-	10			& Disclosure Code <b>39-</b>	
Statute Extended to	14-			IMF Issue Codes <b>41-</b>		
# * Credit and Tax Computation Adjustments	15-	Ref. No. 786	3,971.40		MFT 30 Only- Required entry for no change or no change with adjustment cases. Can be input 5 times.	
	15-	336	(637.00)		& Posting Delay Code <b>43-</b> 1-6 Valid	
	15-	878	59,367.00		I-Reviewer Date	
	15-	895	59,367.00		J-CATP Case <input type="checkbox"/>	
	15-	889	7,896.00		K-Tax Examiner CTRENIA JONES Date 02/16/2018	
	15-	888	59,755.00		Comments	
	15-					
	15-					

NOL CF Disallowed Amount	44-		No Cents +	Reason Code IMF Only	51-	
NOL Indicator	45-			Reason Code IMF Only	52-	
Credit CF Disallowed Amount	46-		No Cents +	Reason Code IMF Only	53-	
Credit Type (Only if disallowed)	47-			Tire Count	66-	9 0 0 / / +
Primary Business Code		Must use AMSOC DC 30		Tire Count	66-	9 0 1 / / +
Whipsaw Indicator	401-		K = Key R = Related	Tire Count	66-	9 0 2 / / +
International Examiner Time	402-		Percent of Total Time (Item 28) — enter 001-100 (Eff. 1/08)	Tire Count	66-	9 0 3 / / +
International Exam Results	403-		Percent of Total Audit Results — enter 000-100 (Eff. 1/08)	Tire Count	66-	9 0 4 / / +
				Tire Count	66-	9 0 5 / / +
				SHIP-LIVES	70-	9 0 6 / / +
				ASIHP-LIVES	70-	9 0 7 / / +
				SHIP-LIVES Oct	70-	9 0 8 / / +
				ASIHP-LIVES Oct	70-	9 0 9 / / +

(Eff. 7/1/16)  
(Eff. 7/1/16)

Form 720	a. Abstract Code	b. Disposal Code	c. Abstract Time	d. Abstract Examination Results	e. Abstract Claim Time
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	
404-				No Cents	

RELATED RETURN INFORMATION SECTION (Enter Data from Primary Return)

↓ Attach Audit Label Here If Available ↓

405-	Primary Return TIN	406-	407-
	259-51-7291	Prim Ret. MFT	Prim Ret Tax Period
		30	201212

Check if continued on an attached page

Related Ret Alpha Code	408-	P	P = Primary Return (If Entered, Leave 405-407 Blank) S = Secondary (Related) Return
Aging Reason Code	410-		
Payment Code	411-	N	Check only one F = Full paid N = No payment P = Part paid O = Total offset
Installment Agreement Code	412-	N	Check only one I = Installment Agreement rec'd C = Coordinated with collection N = No installment agreement
Delinquent Return Amount	414-		No Cents
Amended Return Amount	415-		No Cents
Fax Agreement Indicator	416-		1 = Fax'd Agreement Received For EGC 5XXX Use Only
3121Q Amount	418-		No Cents + Only Valid for MFT 01, 11 or 14
Applicable Credit Adj Amount	422-		No Cents Only Valid for MFT 51, 52, 53 and 54
DSUE Amount	425-		No Cents Only Valid for MFT 51, 52, 53 and 54

10/02/2017

\* Required entries for partial assessments  
# Required entries for disposal code 34  
& Optional entries for disposal code 34

19.00.00

RGS Version 19.00.00

Name: TANKERSLEY, BRANDON

Year: 201212

TIN: 259-51-7291

Examiner: Huddleston, M

Examination Closing Input Document

AMCLSE259-51-7291 30 201212 IU 30X [\*]  
12-300/1922000,  
12-160/496425,  
12-170/0,  
13-10,  
15-786/397140,  
15-336/63700-  
15-878/5936700,  
15-895/5936700,  
15-889/789600,  
15-888/5975500,  
28-310,  
30-3,  
31-12,  
32-221 ,  
33-Huddleston M,  
36-21591887,  
408-P,  
411-N,  
412-N,

A-  CC TSCLS  
 P1-6 CC AMCLS E

E = Long closure  
 F = Partial closure  
 I = IRA  
 S = Separate Spousal Assessment  
 U = Unpostable

# Examination Closing Record

References: IRM 4.4.12  
 AIMS input: IRM 2.8

56 | E | 57 | Secondary SSN Name Control

P7-18 TIN 259-51-7291		P21-22 MFT 30	P24-29 TAX PERIOD 201212	C-Operator Employee No. Date		D-Reject
P31-34 Name Control TANK		B-Name. BRANDON TANKERSLEY		E-Document Locator Number		F-Cor.
Batch Position Indicator (NMF)	P36	Block Number	P38-40 30X	Sequence Number	P45-48	Appeals Office Code 16- APPEALS SECTION
Secondary Spouse SSN	01-		0	AMCLSI ONLY		Unagreed Amount Appealed/Petitioned 18- & NAICS 19- 4 1 0
& Penalty Reason Code	02-	Letter Date	03-			Claim Rejn Date 20-
Letter Amount	04-					# Amount Claimed 21- Dollars Protected 22-
2% Interest Date	05-					RBP Hours 23- Do not include time entered in item 28.
& Debit Interest "To" Date	6A-					Claim Type 24- RBP = CLAIM FOR REFUND ONLY
& Credit Interest	6B-					Examiner's Time 28- 31.0 Do not include time entered in Item 23.
& Compute Interest Amount	6C-					Examination Technique Code 30- 3
& Hold Code	07-	Remarks:				Examiner's Grade 31- 12
Agreement Date	08-					Grade of Case 32- 221 Related Return = R
& Priority Code	09-					33- Examiner's Name Huddleston, M
& Interest Computation Date	11-					Adjustment Amount 34- Manual Assessment Amount 35-
# * Tax, Penalty and Interest Adjustments	12-	Trans. Code 300			19,220.00	+
	12-	160			4,964.25	+
	12-					
	12-					
	12-					
	12-					
	12-					
# Disposal Code	13-	10				
Statute Extended to	14-					
& Credit and Tax Computation Adjustments	15-	Ref. No. 786			3,971.40	+
	15-	336			(637.00)	-
	15-	878			59,367.00	+
	15-	895			59,367.00	+
	15-	889			7,896.00	+
	15-	888			59,755.00	+
	15-					

NOL CF Disallowed Amount	44-		No Cents +	Reason Code IMF Only	51-	
NOL Indicator	45-			Reason Code IMF Only	52-	
Credit CF Disallowed Amount	46-		No Cents +	Reason Code IMF Only	53-	
Credit Type (Only if disallowed)	47-			Tire Count	66-	9 0 0 / / +
Primary Business Code		Must use AMSOC DC 30		Tire Count	66-	9 0 1 / / +
Whipsaw Indicator	401-		K = Key R = Related	Tire Count	66-	9 0 2 / / +
International Examiner Time	402-		Percent of Total Time (Item 28) — enter 001-100 (Eff. 1/08)	Tire Count	66-	9 0 3 / / +
International Exam Results	403-		Percent of Total Audit Results — enter 000-100 (Eff. 1/08)	Tire Count	66-	9 0 4 / / +
				Tire Count	66-	9 0 5 / / +
				SHIP-LIVES	70-	9 0 6 / / +
				ASIHP-LIVES	70-	9 0 7 / / +
				SHIP-LIVES Oct	70-	9 0 8 / / +
				ASIHP-LIVES Oct	70-	9 0 9 / / +

(Eff. 7/1/16)  
(Eff. 7/1/16)

Form 720	a. Abstract Code	b. Disposal Code	c. Abstract Time	d. Abstract Examination Results	e. Abstract Claim Time
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/
404-	/	/	/	No Cents	/

RELATED RETURN INFORMATION SECTION (Enter Data from Primary Return)

↓ Attach Audit Label Here If Available ↓

405- Primary Return TIN	406- Prim Ret. MFT	407- Prim Ret Tax Period
259-51-7291	30	201212

Check if continued on an attached page

Related Ret Alpha Code	408-	P	P = Primary Return (If Entered, Leave 405-407 Blank) S = Secondary (Related) Return
Aging Reason Code	410-		
Payment Code	411-	N	Check only one F = Full paid N = No payment P = Part paid O = Total offset
Installment Agreement Code	412-	N	Check only one I = Installment Agreement rec'd C = Coordinated with collection N = No installment agreement
Delinquent Return Amount	414-		No Cents
Amended Return Amount	415-		No Cents
Fax Agreement Indicator	416-		1 = Fax'd Agreement Received For EGC 5XXX Use Only
3121Q Amount	418-		No Cents + Only Valid for MFT 01, 11 or 14
Applicable Credit Adj Amount	422-		No Cents Only Valid for MFT 51, 52, 53 and 54
DSUE Amount	425-		No Cents Only Valid for MFT 51, 52, 53 and 54

18.20.00

10/02/2017

\* Required entries for partial assessments  
# Required entries for disposal code 34  
& Optional entries for disposal code 34

RGS Version 18.20.00

Name: TANKERSLEY, BRANDON

Year: 201212

TIN: 259-51-7291

Examiner: Huddleston, M

Examination Closing Input Document

AMCLSE259-51-7291 30 201212 IU 30X [\*]  
12-300/1922000,  
12-160/496425,  
13-10,  
15-786/397140,  
15-336/63700-  
15-878/5936700,  
15-895/5936700,  
15-889/789600,  
15-888/5975500,  
28-310,  
30-3,  
31-12,  
32-221 ,  
33-Huddleston M,  
36-21591887,  
408-P,  
411-N,  
412-N,

[\*] Indicates position of sequence number



CFINK 6505-21220R-  
NAME: JOE P HONEY JR  
FIRST: JOE  
MIDDLE: P  
LAST: HONEY  
SUFFIX: JR  
2ND NAME:

NAME CONTROL: HONE  
PTIN: P00747663

STREET: 4295 CROMWELL RD STE 305  
CITY: CHATTANOOGA  
STATE: TN ZIP: 37421-2163-803  
COUNTRY: US-USA

PHONE & FAX -----  
423-553-7220  
423-553-4435

CAF STATUS: GOOD STANDING  
AUTH LEVELS ON CAF: B

SDLN: 23-1629-49-158-43 SIGN DATE: 06-29-2016 FORM NUM: 2848

COMMENTS:

CFINK 259-51-7291  
NAME: BRANDON TANKERSLEY  
N/C: TANK

MF	TAXPRD	PLN	RN/C	REP-NUMBER	SIGNDATE	SDLN	FORM	LV	RCTS	AUTHS
30	201112	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201212	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201312	000	HONE	6505-21220R	11-18-2015	22-1548-49-259-67	2848	B	N	U
30	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201512	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
30	201612	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U
35	201412	000	HONE	6505-21220R	05-02-2017	24-1719-49-206-32	2848	B		U

Form

1040

Department of the Treasury—Internal Revenue Service (99) U.S. Individual Income Tax Return

2012

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1—Dec. 31, 2012, or other tax year beginning

, 2012, ending , 20

See separate instructions.

Your first name and initial  
**Brandon**

Last name  
**Tankersley**

Your social security number  
**259-51-7291**

If a joint return, spouse's first name and initial

Last name

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.  
**848 Grove Circle Avenue**

Apt. no.

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).  
**Cleveland TN 37311**

Presidential Election Campaign  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

Foreign country name

Foreign province/state/county

Foreign postal code

You  Spouse

Filing Status

- 1  Single
- 2  Married filing jointly (even if only one had income)
- 3  Married filing separately. Enter spouse's SSN above and full name here. ▶

- 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
- 5  Qualifying widow(er) with dependent child

Check only one box.

Exemptions

- 6a  Yourself. If someone can claim you as a dependent, do not check box 6a
- b  Spouse

Boxes checked on 6a and 6b **1**

c Dependents:

If more than four dependents, see instructions and check here ▶

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qual. for child tax credit (see instr.)
<b>Jaxon</b>	<b>Tankersley</b>	<b>759-12-0297</b>	<b>Son</b>	<input checked="" type="checkbox"/>

No. of children on 6c who:  
• lived with you **1**  
• did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ▶ **2**

d Total number of exemptions claimed

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

- 7 Wages, salaries, tips, etc. Attach Form(s) W-2
- 8a Taxable interest. Attach Schedule B if required
- b Tax-exempt interest. Do not include on line 8a
- 8b
- 9a Ordinary dividends. Attach Schedule B if required
- b Qualified dividends
- 9b
- 10 Taxable refunds, credits, or offsets of state and local income taxes
- 11 Alimony received
- 12 Business income or (loss). Attach Schedule C or C-EZ
- 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶
- 14 Other gains or (losses). Attach Form 4797
- 15a IRA distributions
- 15b Taxable amount
- 16a Pensions and annuities
- 16b Taxable amount
- 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E
- 18 Farm income or (loss). Attach Schedule F
- 19 Unemployment compensation
- 20a Social security benefits
- 20b Taxable amount
- 21 Other income. List type and amount
- 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶

7	
8a	
8b	
9a	
9b	
10	
11	
12	<b>26,079</b>
13	
14	
15b	
16b	
17	
18	
19	
20b	
21	
22	<b>26,079</b>

Adjusted Gross Income

- 23 Educator expenses
- 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ
- 25 Health savings account deduction. Attach Form 8889
- 26 Moving expenses. Attach Form 3903
- 27 Deductible part of self-employment tax. Attach Schedule SE **1,842**
- 28 Self-employed SEP, SIMPLE, and qualified plans
- 29 Self-employed health insurance deduction
- 30 Penalty on early withdrawal of savings
- 31a Alimony paid b Recipient's SSN ▶
- 32 IRA deduction
- 33 Student loan interest deduction
- 34 Tuition and fees. Attach Form 8917
- 35 Domestic production activities deduction. Attach Form 8903
- 36 Add lines 23 through 35
- 37 Subtract line 36 from line 22. This is your adjusted gross income ▶

23	
24	
25	
26	
27	<b>1,842</b>
28	
29	
30	
31a	
32	
33	
34	
35	
36	<b>1,842</b>
37	<b>24,237</b>

CLERKED IN (RAM - IME) IT ATTACHED

Form 1040 (2012) **Brandon Tankersley**

**Tax and Credits**

38	Amount from line 37 (adjusted gross income)	38	24,237
39a	Check <input type="checkbox"/> You were born before January 2, 1948, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1948, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	13,021
41	Subtract line 40 from line 38	41	11,216
42	Exemptions. Multiply \$3,800 by the number on line 6d	42	7,600
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	3,616
44	Tax (see instr.). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/> 962 elec.	44	363
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Add lines 44 and 45	46	363
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 19	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit. Attach Schedule 8812, if required	51	363
52	Residential energy credits. Attach Form 5695	52	
53	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
54	Add lines 47 through 53. These are your total credits	54	363
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	0

**Standard Deduction for—**

- People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
- All others:
  - Single or Married filing separately, \$5,950
  - Married filing jointly or Qualifying widow(er), \$11,900
  - Head of household, \$8,700

**Other Taxes**

56	Self-employment tax. Attach Schedule SE	56	3,203
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59a	Household employment taxes from Schedule H	59a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	500
60	Other taxes. Enter code(s) from instructions	60	
61	Add lines 55 through 60. This is your total tax	61	3,703

**Payments**

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099	62	
63	2012 estimated tax payments and amount applied from 2011 return	63	
64a	Earned income credit (EIC)	64a	
b	Nontaxable combat pay election <input type="checkbox"/> 64b		
65	Additional child tax credit. Attach Schedule 8812	65	637
66	American opportunity credit from Form 8863; line 8	66	
67	Reserved	67	
68	Amount paid with request for extension to file	68	
69	Excess social security and tier 1 RRTA tax withheld	69	
70	Credit for federal tax on fuels. Attach Form 4136	70	
71	Credits from Form: a <input type="checkbox"/> 2439 b <input checked="" type="checkbox"/> Reserved c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	71	
72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	637

**Refund**

Direct deposit? See instructions.

73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	
b	Routing number <input type="text"/>	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number <input type="text"/>		
75	Amount of line 73 you want applied to your 2013 estimated tax	75	

**Amount You Owe**

76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions	76	3,121
77	Estimated tax penalty (see instructions)	77	55

**Third Party Designee**

Do you want to allow another person to discuss this return with the IRS (see instructions)?  Yes. Complete below.  No

Designee's name **Joe P. Honey** Personal identification number (PIN) **11291**

Phone no. **423-553-7220**

**Sign Here**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature **Joe P. Honey** Date  Your occupation **Business Owner** Daytime phone number

Spouse's signature. If a joint return, both must sign. Date  Spouse's occupation

If the IRS sent you an Identity Protection PIN, enter it here (see instr.)

**Paid Preparer Use Only**

Print/Type preparer's name **Joe P. Honey** Preparer's signature **Joe P. Honey** Date **06/11/14** Check  if self-employed PTIN **P00747663**

Firm's name **Joe P. Honey, CPA** Firm's EIN **26-0722835**

Firm's address **419 North Market St Ste 200 Chattanooga TN 37405-3974** Phone no. **423-553-7220**

**SCHEDULE C  
(Form 1040)**

**Profit or Loss From Business**  
(Sole Proprietorship)

OMB No. 1545-0074

**2012**

Attachment Sequence No. **09**

Department of the Treasury  
Internal Revenue Service (99)

▶ For information on Schedule C and its instructions, go to [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor <b>Brandon Tankersley</b>		Social security number (SSN) <b>259-51-7291</b>
A Principal business or profession, including product or service (see instructions) <b>Moving Service</b>		B Enter code from instructions ▶ <b>484110</b>
C Business name. If no separate business name, leave blank. <b>Cleveland Moving dba Southeast Movi</b>		D Employer ID number (EIN), (see instr.)
E Business address (including suite or room no.) ▶ <b>848 Grove Circle Avenue</b> City, town or post office, state, and ZIP code <b>Cleveland TN 37311</b>		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶		
G Did you "materially participate" in the operation of this business during 2012? If "No," see instructions for limit on losses		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2012, check here		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions)		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
J If "Yes," did you or will you file all required Forms 1099?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Part I Income		
1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	▶ <input type="checkbox"/> <b>176,695</b>
2	Returns and allowances (see instructions)	2
3	Subtract line 2 from line 1	<b>176,695</b>
4	Cost of goods sold (from line 42)	<b>1,283</b>
5	<b>Gross profit.</b> Subtract line 4 from line 3	<b>175,412</b>
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6
7	<b>Gross income.</b> Add lines 5 and 6	<b>175,412</b>

Part II Expenses			Enter expenses for business use of your home only on line 30.			
8	Advertising	8	<b>19,099</b>	18	Office expense (see instructions)	18
9	Car and truck expenses (see instructions)	9	<b>24,401</b>	19	Pension and profit-sharing plans	19
10	Commissions and fees	10		20	Rent or lease (see instructions):	
11	Contract labor (see instructions)	11	<b>512</b>	20a	a Vehicles, machinery, and equipment	<b>1,811</b>
12	Depletion	12		20b	b Other business property	20b
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	<b>177</b>
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22
15	Insurance (other than health)	15	<b>4,700</b>	23	Taxes and licenses	23
16	Interest:			24	Travel, meals, and entertainment:	
a	Mortgage (paid to banks, etc.)	16a		24a	a Travel	<b>2,028</b>
b	Other	16b		24b	b Deductible meals and entertainment (see instructions)	<b>2,655</b>
17	Legal and professional services	17		25	Utilities	<b>3,070</b>
18				26	Wages (less employment credits)	26
19				27a	Other expenses (from line 48)	<b>90,260</b>
20				27b	b Reserved for future use	27b
21				28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a	<b>148,713</b>
22				29	Tentative profit or (loss). Subtract line 28 from line 7	<b>26,699</b>
23				30	Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere	<b>620</b>
24				31	<b>Net profit or (loss).</b> Subtract line 30 from line 29.	<b>26,079</b>
25					<ul style="list-style-type: none"> <li>• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If a loss, you must go to line 32.</li> </ul>	
26				32a	<input type="checkbox"/> All investment is at risk. <input type="checkbox"/> Some investment is not at risk.	
27				32b		
28					<ul style="list-style-type: none"> <li>• If you have a loss, check the box that describes your investment in this activity (see instructions).</li> <li>• If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.</li> <li>• If you checked 32b, you must attach Form 6198. Your loss may be limited.</li> </ul>	

**Brandon Tankersley**

Schedule C (Form 1040) 2012 **Moving Service**

**Part III Cost of Goods Sold** (see instructions)

33 Method(s) used to value closing inventory: a  Cost b  Lower of cost or market c  Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	0
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs <b>See Statement 1</b>	39	1,283
40	Add lines 35 through 39	40	1,283
41	Inventory at end of year	41	0
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42	1,283

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ **See Stmt 2**

44 Of the total number of miles you drove your vehicle during 2012, enter the number of miles you used your vehicle for:

a Business **42,019** b Commuting (see instructions) c Other

45 Was your vehicle available for personal use during off-duty hours?  Yes  No  
 46 Do you (or your spouse) have another vehicle available for personal use?  Yes  No  
 47a Do you have evidence to support your deduction?  Yes  No  
 b If "Yes," is the evidence written?  Yes  No

**Part V Other Expenses.** List below business expenses not included on lines 8-26 or line 30.

Telephone Expense	8,100
Bad Check	240
Labor	45,416
Damages	550
Office Expense	1,457
Merchant Fees	648
Credit Card Processing	900
Postage	81
Uniform	1,129
Maintenance on Sterling	3,558
Fuel on Sterling	26,514
Amortization	1,667
<b>48 Total other expenses.</b> Enter here and on line 27a	<b>90,260</b>

**SCHEDULE SE  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Self-Employment Tax**

▶ Information about Schedule SE and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

**2012**

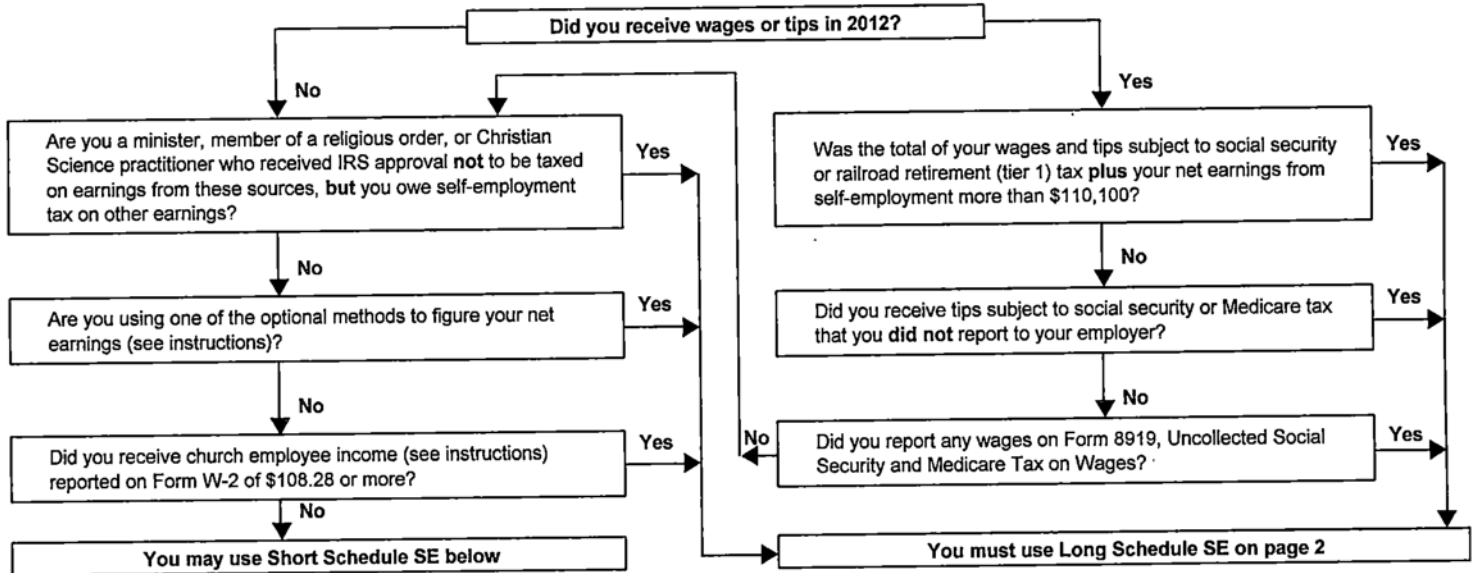
Attachment  
Sequence No. **17**

Name of person with self-employment income (as shown on Form 1040) <b>Brandon Tankersley</b>	Social security number of person with self-employment income ▶ <b>259-51-7291</b>
---	--

**Before you begin:** To determine if you must file Schedule SE, see the instructions.

**May I Use Short Schedule SE or Must I Use Long Schedule SE?**

**Note.** Use this flowchart **only** if you must file Schedule SE. If unsure, see Who Must File Schedule SE in the instructions.



**Section A — Short Schedule SE. Caution.** Read above to see if you can use Short Schedule SE.

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A .....	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Y .....	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report .....	2	<b>26,079</b>
3 Combine lines 1a, 1b, and 2 .....	3	<b>26,079</b>
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b. <b>Note.</b> If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions. ▶	4	<b>24,084</b>
5 <b>Self-employment tax.</b> If the amount on line 4 is: • \$110,100 or less, multiply line 4 by 13.3% (.133). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$110,100, multiply line 4 by 2.9% (.029). Then, add \$11,450.40 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54 .....	5	<b>3,203</b>
6 <b>Deduction for employer-equivalent portion of self-employment tax.</b> If the amount on line 5 is: • \$14,643.30 or less, multiply line 5 by 57.51% (.5751) • More than \$14,643.30, multiply line 5 by 50% (.50) and add \$1,100 to the result. Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27 .....	6	<b>1,842</b>

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule SE (Form 1040) 2012

**SCHEDULE 8812  
(Form 1040A  
or 1040)**

Department of the Treasury  
Internal Revenue Service (99)

# Child Tax Credit

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

▶ Information about Schedule 8812 and its separate instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

OMB No. 1545-0074

**2012**

Attachment  
Sequence No. **47**

Name(s) shown on return

Your social security number

**Brandon Tankersley**

**259-51-7291**

**Part I Filers Who Have Certain Child Dependent(s) with an ITIN (Individual Taxpayer Identification Number)**



Complete this part only for each dependent who has an ITIN and for whom you are claiming the child tax credit. If your dependent does not qualify for the credit, you cannot include that dependent in the calculation of this credit.

Answer the following questions for each dependent listed on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c, who has an ITIN (Individual Taxpayer Identification Number) and that you indicated qualified for the child tax credit by checking column (4) for that dependent.

**A** For the first dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**B** For the second dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**C** For the third dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**D** For the fourth dependent identified with an ITIN and listed as a qualifying child for the child tax credit, did this child meet the substantial presence test? See separate instructions.

Yes  No

**Note.** If you have more than four dependents identified with an ITIN and listed as a qualifying child for the child tax credit, see the instructions and check here

**Part II Additional Child Tax Credit Filers**

<b>1</b>	<b>1040 filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040, line 51). <b>1040A filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040A, line 33). <b>1040NR filers:</b> Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040NR, line 48).  If you used Pub. 972, enter the amount from line 8 of the Child Tax Credit Worksheet in the publication.			
		<b>1</b>		<b>1,000</b>
<b>2</b>	Enter the amount from Form 1040, line 51; Form 1040A, line 33; or Form 1040NR, line 48	<b>2</b>		<b>363</b>
<b>3</b>	Subtract line 2 from line 1. If zero, <b>stop</b> ; you cannot take this credit	<b>3</b>		<b>637</b>
<b>4a</b>	Earned income (see separate instructions)	<b>4a</b>	<b>24,237</b>	
<b>b</b>	Nontaxable combat pay (see separate instructions)	<b>4b</b>		
<b>5</b>	Is the amount on line 4a more than \$3,000? <input type="checkbox"/> <b>No.</b> Leave line 5 blank and enter -0- on line 6. <input checked="" type="checkbox"/> <b>Yes.</b> Subtract \$3,000 from the amount on line 4a. Enter the result	<b>5</b>	<b>21,237</b>	
<b>6</b>	Multiply the amount on line 5 by 15% (.15) and enter the result <b>Next.</b> Do you have three or more qualifying children? <input checked="" type="checkbox"/> <b>No.</b> If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part III and enter the smaller of line 3 or line 6 on line 13. <input type="checkbox"/> <b>Yes.</b> If line 6 is equal to or more than line 3, skip Part III and enter the amount from line 3 on line 13. Otherwise, go to line 7.	<b>6</b>		<b>3,186</b>

Schedule 8812 (Form 1040A or 1040) 2012

**Part III Certain Filers Who Have Three or More Qualifying Children**

<b>7</b>	Withheld social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see separate instructions	<b>7</b>	
<b>8</b>	<b>1040 filers:</b> Enter the total of the amounts from Form 1040, lines 27 and 57, plus any taxes that you identified using code "UT" and entered on line 60. <b>1040A filers:</b> Enter -0- <b>1040NR filers:</b> Enter the total of the amounts from Form 1040NR, lines 27 and 55, plus any taxes that you identified using code "UT" and entered on line 59.	<b>8</b>	
<b>9</b>	Add lines 7 and 8	<b>9</b>	
<b>10</b>	<b>1040 filers:</b> Enter the total of the amounts from Form 1040, lines 64a and 69. <b>1040A filers:</b> Enter the total of the amount from Form 1040A, line 38a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 41 (see separate instructions). <b>1040NR filers:</b> Enter the amount from Form 1040NR, line 65.	<b>10</b>	
<b>11</b>	Subtract line 10 from line 9. If zero or less, enter -0-		<b>11</b>
<b>12</b>	Enter the larger of line 6 or line 11 Next, enter the smaller of line 3 or line 12 on line 13.		<b>12</b>

**Part IV Additional Child Tax Credit**

<b>13</b>	This is your additional child tax credit	<b>637</b>
		Enter this amount on Form 1040, line 65, Form 1040A, line 39, or Form 1040NR, line 63.



Form **8829**

**Expenses for Business Use of Your Home**

OMB No. 1545-0074

► **File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.**

**2012**

Department of the Treasury  
Internal Revenue Service (99)

► **Information about Form 8829 and its separate instructions is at [www.irs.gov/form8829](http://www.irs.gov/form8829).**

Attachment  
Sequence No. **176**

Name(s) of proprietor(s)

Your social security number

**Brandon Tankersley**

**259-51-7291**

**Part I Part of Your Home Used for Business**

1	Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)	1	225
2	Total area of home	2	1500
3	Divide line 1 by line 2. Enter the result as a percentage	3	15.00%
<b>For daycare facilities not used exclusively for business, go to line 4. All others go to line 7.</b>			
4	Multiply days used for daycare during year by hours used per day	4	hr.
5	Total hours available for use during the year (366 days x 24 hours) (see instructions)	5	8,784 hr.
6	Divide line 4 by line 5. Enter the result as a decimal amount	6	
7	Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	15.00%

**Part II Figure Your Allowable Deduction**

8	Enter the amount from Schedule C, line 29, plus any gain derived from the business use of your home and shown on Schedule D or Form 4797, minus any loss from the trade or business not derived from the business use of your home and shown on Schedule D or Form 4797. See instructions	8	26,699
<i>See instructions for columns (a) and (b) before completing lines 9-21.</i>			
9	Casualty losses (see instructions)	9	
10	Deductible mortgage interest (see instructions)	10	
11	Real estate taxes (see instructions)	11	
12	Add lines 9, 10, and 11	12	
13	Multiply line 12, column (b) by line 7	13	
14	Add line 12, column (a) and line 13	14	
15	Subtract line 14 from line 8. If zero or less, enter -0-	15	26,699
16	Excess mortgage interest (see instructions)	16	
17	Insurance	17	
18	Rent	18	
19	Repairs and maintenance	19	
20	Utilities	20	
21	Other expenses (see instructions)	21	
22	Add lines 16 through 21	22	
23	Multiply line 22, column (b) by line 7	23	
24	Carryover of operating expenses from 2011 Form 8829, line 42	24	
25	Add line 22, column (a), line 23, and line 24	25	
26	Allowable operating expenses. Enter the smaller of line 15 or line 25	26	0
27	Limit on excess casualty losses and depreciation. Subtract line 26 from line 15	27	26,699
28	Excess casualty losses (see instructions)	28	
29	Depreciation of your home from line 41 below	29	620
30	Carryover of excess casualty losses and depreciation from 2011 Form 8829, line 43	30	
31	Add lines 28 through 30	31	620
32	Allowable excess casualty losses and depreciation. Enter the smaller of line 27 or line 31	32	620
33	Add lines 14, 26, and 32	33	620
34	Casualty loss portion, if any, from lines 14 and 32. Carry amount to Form 4684 (see instructions)	34	
35	Allowable expenses for business use of your home. Subtract line 34 from line 33. Enter here and on Schedule C, line 30. If your home was used for more than one business, see instructions	35	620

**Part III Depreciation of Your Home**

36	Enter the smaller of your home's adjusted basis or its fair market value (see instructions)	36	161,000
37	Value of land included on line 36	37	
38	Basis of building. Subtract line 37 from line 36	38	161,000
39	Business basis of building. Multiply line 38 by line 7	39	24,150
40	Depreciation percentage (see instructions)	40	2.5640%
41	Depreciation allowable (see instructions). Multiply line 39 by line 40. Enter here and on line 29 above	41	620

**Part IV Carryover of Unallowed Expenses to 2013**

42	Operating expenses. Subtract line 26 from line 25. If less than zero, enter -0-	42	0
43	Excess casualty losses and depreciation. Subtract line 32 from line 31. If less than zero, enter -0-	43	0

For Paperwork Reduction Act Notice, see your tax return instructions.

**Federal Statements**

**Moving Service**

**Statement 1 - Schedule C, Cost of Goods Sold, Line 39 - Other Costs**

Description	Amount
Boxes	\$ 834
Tools	449
Total	\$ <u>1,283</u>

**Moving Service**

**Statement 2 - Schedule C, Page 2, Line 43 - Vehicle Information**

Date In Service	Business Miles	Commuting Miles	Other Miles	Off Duty?		Other Vehicle?		Evidence?		Written?	
				Y	N	Y	N	Y	N	Y	N
1/01/10					X			X	X		X
5/01/07					X	X			X		X
10/01/07					X	X			X		X
2/01/07					X	X			X		X
3/31/08					X			X	X		X
1/01/11	42,019				X			X	X		X

Year Ending: December 31, 2012

259-51-7291

Brandon Tankersley  
848 Grove Circle Avenue  
Cleveland, TN 37311

### **NOL Carryback Election**

Under IRC Section 172(b)(3), the taxpayer elects to relinquish the entire carryback period with respect to the regular tax and AMT net operating losses incurred during the current tax year.



AMDISA259-51-7291 MFT>30 TX-PRD>201212  
PRIMARY-NAME>TANKERSLEY, BRANDON  
ASED>11/16/2018  
SOURCE-CD>02 DIF

NM-CTRL>TANK  
JULIAN-DT>2017205  
OPNG-CRTN-DT>07/08/2016  
EXAM-START-CD/DT>316 08/05/2016

DIF-SCORE> [REDACTED] (b)(3)26 U.S.C.  
ACTY-CD>276 § 6103;  
(b)(7)(E)

DIF/DAS-RSN-CD>R

DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0

PBC>202 SBC>23500 POD>362

EGC/DT>1508 07/12/2016

PRIOR-EGC/DT>1911 06/30/2016 PRIOR-SBC>87700

CURRENT-STATUS-CD/DATE

PRIOR-STATUS-CD/DATE

13 30-DAY

06/26/2017 12 STARTED

08/05/2016

PROJ-CD>0158

PICF-CD>

XREF-DLN>17277182200006

RET-RECVD-DT>11/16/2015

DELQ-RET-IND>1

RET-PSTNG-YR>2015

UPDT-CD>E PR-UPDT-CD>Q

CAF-IND>1

TC424-CD>6

NM-LN-YR>2010 MF-NAME-LINE>BRANDON TANKERSLEY

ADD-CHG-CYC>201549

CONT-OF-PRIMARY-NAME>

STREET>848 GROVE CIR NW

CITY>CLEVELAND

STATE>TN ZIP>373111772

SC>17 CSC

Employee #2247760868 Page 001 of 004 PAGE 002

AMDISA259-51-7291 MFT>30 TX-PRD>201212

NM-CTRL>TANK

PRIMARY-NAME>TANKERSLEY, BRANDON

JULIAN-DT>2017205

AIMS-OPENING-SOURCE-CD>02

RETURN-FORM-NUMBER>1040

TECH-SERVICES-CD/DT>000

PRIOR-TECH-SERVICES-CD/DT>000

C-F-IND>1

EITC-PROJECT-CD-IND>N

TOT-POS-INCOME-AMT>\$

26,079

EXAM-NAICS-CD>484110

RET/5546/LABELS NOT REQ

ESTIMATED-TAX-IND

BOD-CD>SB

CLIENT-CD>0

OPENING-DLN>09221339377385

PICF-CD>

PCS-1-YR-CLS-CD>

SC>17 CSC

Employee #2247760868 Page 002 of 004 PAGE 003

IMFOLT259-51-7291 30201212P01 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 09221-339-37738-5 SPSSN UP-CYC:3001  
 BRANDON TANKERSLEY TOT EXEMPTIONS:02 BFS :3

FSC:1 STATUS:24 STATUS DATE:04102017 AIMS :1  
 NEXT CSED:01-27-2026 ASSESSD BAL: 5,121.95 SETTLE DATE:12282015 LIEN :  
 LAST CSED:01-27-2026 TOT INTERST: 615.23 INTEREST DATE:08072017 BWI :  
 FIRST CSED:01-27-2026 INT ASSESSD: 559.93 DISASTER RDD : BWNC :0  
 ASED:11-16-2018 INT PAID: .00 DISASTERSTART: CC81 :0  
 RSED:04-15-2016 FTP TOTAL: 766.50 GOVERN SC:49 HIST LC:62 CC85 :0  
 FREEZE:T -L FTP ASSESSD: 751.17 MATH IN: TDA COPY:5277 TC914:0

INDICATORS:  
 EFT-IND:0 DDRC:00 PDC-CD:00 SBND1:00 SBND2:00 SBND3:00 MEFBI:0 ARDI :0  
 SETTLE CYC:20154905 FEB15 RFND FRZ:0 LEVY-971-IND:00

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
150	12282015	3,703.00	20154905	09221-339-37738-5	RECEIVED-DATE: 11162015
960	12022015	.00	20154805	64277-736-06714-5	
766	04152013	637.00	20154905	09221-339-37738-5	REF-NUM:336
170	12282015	55.00	20154905	09221-339-37738-5	CSED:01272026
166	12282015	689.85	20154905	09221-339-37738-5	CSED:01272026
276	12282015	505.89	20154905	09221-339-37738-5	
196	12282015	317.37	20154905	09221-339-37738-5	
971	12282015	.00	20154905	09277-339-37738-5	ACT-CD: 804 MISCCP 0014

PAGE 001 OF 002 IMFPG 002 DS:R

IMFOLT259-51-7291 30201212P02 IMF TAX MODULE NM CTRL:TANK WEEKLY  
 UP-CYC:3001

TC	DATE	AMOUNT	CYCLE	DLN	VARIABLE DATA
971	12122015	.00	20155005	49277-750-07651-5	ACT-CD: 063
971	06182016	.00	20162505	63277-572-57320-6	ACT-CD: 611
425	06302016	.00	20162705	17277-182-20000-6	SOURCE-CD:02 SPC:0158 PBC:202 SBC:87700
420	07082016	.00	20162805	17277-190-00000-6	SOURCE-CD:02 PBC:202 SBC:87700 EGC:1911
971	10032016	.00	20163705	49277-999-99999-6	ACT-CD: 061 REVERSAL-IND: 1
971	09262016	.00	20163705	49277-750-07651-5	ACT-CD: 163
972	09242016	.00	20163905	49277-671-65238-6	ACT-CD: 061
971	10172016	.00	20164005	28277-001-99999-6	ACT-CD: 060
971	05012017	.00	20171505	09277-339-37738-5	ACT-CD: 804 MISCCP 071C
196	05012017	242.56	20171505	09221-339-37738-5	
276	05012017	245.28	20171505	09221-339-37738-5	
971	05222017	.00	20171805	49277-999-99999-7	ACT-CD: 262

PAGE 002 OF 002 IMFPG 001 DS:R

## Transcript Reconciliation - 2012

NM CTRL: TANK  
 TIN: 259-51-7291

Code	Indicator	Date	Amount	Description	Type	Tax Due	Tax Paid	Interest	Penalty	Other
150		12/28/15	3,703.00	TAX ASSESSMENT-RETURN	A-TaxDue	3,703.00				
960		12/02/15	0.00	ADDS CAF INDICATOR	E-Other					0.00
766		04/15/13	(637.00)	REFUNDABLE CREDIT ALLOWANCE	B-TaxPaid		(637.00)			
170		12/28/15	55.00	ES TAX PENALTY	D-Penalty				55.00	
166		12/28/15	689.85	DELINQUECNY PENALTY	D-Penalty				689.85	
276		12/28/15	505.89	FTP TAX PENALTY	D-Penalty				505.89	
196		12/28/15	317.37	GENERATED ASSESSED INTEREST	C-Interest			317.37		
971	AC: 804	12/28/15	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
971	AC: 063	12/12/15	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
971	AC: 611	06/18/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
425		06/30/16	0.00	REVERSED TC 424	E-Other					0.00
420		07/08/16	0.00	EXAMINATION INDICATOR	E-Other					0.00
971	AC: 061	10/03/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
971	AC: 163	09/26/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
972		09/24/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
971	AC: 060	10/17/16	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
971	AC: 804	05/01/17	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
196		05/01/17	242.56	GENERATED ASSESSED INTEREST	C-Interest			242.56		
276		05/01/17	245.28	FTP TAX PENALTY	D-Penalty				245.28	
971	AC: 262	05/22/17	0.00	DUPLI./AMEND. RET. CROSS REF. TIN/TAX PERIOD DAT	E-Other					0.00
0										
0										
GRAND TOTALS						3,703.00	(637.00)	559.93	1,496.02	-
OUTSTANDING BALANCE						5,121.95				

259-51-7291 MFT>30 TX-PRD>201212  
PRIMARY-NAME>TANKERSLEY, BRANDON  
ASED>04/15/2019X  
SOURCE-CD>02 DIF

NM-CTRL>TANK  
JULIAN-DT>2018047  
OPNG-CRTN-DT>07/08/2016  
EXAM-START-CD/DT>316 08/05/2016

ACTY-CD>276

DIS-IND>4

STATUTE-XTRCTN-IND>0 PARTIAL-AGRMT-IND>0 TC-300-IND>0  
PBC>202 SBC>23500 POD>362  
EGC/DT>1508 07/12/2016 PRIOR-EGC/DT>1911 06/30/2016 PRIOR-SBC>87700  
CURRENT-STATUS-CD/DATE PRIOR-STATUS-CD/DATE  
55 CENTRALIZED CASE PROC 01/26/2018 51 IN-TRANSIT TO CCP 01/23/2018  
PROJ-CD>0158 PICF-CD>  
XREF-DLN>17277182200006  
RET-RECVD-DT>11/16/2015 DELQ-RET-IND>1 RET-PSTNG-YR>2015 UPDT-CD>E PR-UPDT-CD>E  
CAF-IND>1 TC424-CD>6

NM-LN-YR>2010 MF-NAME-LINE>BRANDON TANKERSLEY  
ADD-CHG-CYC>201731 CONT-OF-PRIMARY-NAME>  
STREET>2435 VALLEY HILLS DR NW  
CITY>CLEVELAND STATE>TN ZIP>373113528  
PCC>49 MSC SC>17 CSC

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259-51-7291 MFT>30 TX-PRD>201212  
PRIMARY-NAME>TANKERSLEY, BRANDON  
AIMS-OPENING-SOURCE-CD>02 RETURN-FORM-NUMBER>1040  
TECH-SERVICES-CD/DT>365 07/28/2017 PRIOR-TECH-SERVICES-CD/DT>000

NM-CTRL>TANK  
JULIAN-DT>2018047

TOT-POS-INCOME-AMT>\$ 26,079 C-F-IND>1 EITC-PROJECT-CD-IND>N  
EXAM-NAICS-CD>484110 RET/5546/LABELS NOT REQ

ESTIMATED-TAX-IND  
BOD-CD>SB CLIENT-CD>0 OPENING-DLN>09221339377385

PICF-CD>

PCS-1-YR-CLS-CD>

PCC>49 MSC SC>17 CSC

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259-51-7291 MFT>30 TX-PRD>201212  
PRIMARY-NAME>TANKERSLEY, BRANDON  
LAST-AMT-PUT-IN-CUM>\$ 0.00  
EXAM-CUM-ASSMNT-AMT>\$ 0.00  
MAN-ASSMNT-AMT> \$ 0  
UNAGREED-AMT> \$ 0  
EXAM-ADJ-AMT> \$ 0  
AIMS/EXAM-RESULTS> \$ 0

NM-CTRL>TANK  
JULIAN-DT>2018047

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PCC>49 MSC SC>17 CSC

259-51-7291 MFT>30 TX-PRD>201212  
PRIMARY-NAME>TANKERSLEY, BRANDON

NM-CTRL>TANK  
JULIAN-DT>2018047

\*AIMS STATUS-CD HISTORY\*

ST- STATUS	ST- STATUS
CD -CD-DT	CD -CD-DT
55 20180126	00 00000000
51 20180123	00 00000000
24 20171005	00 00000000
25 20170728	00 00000000
21 20170728	00 00000000
13 20170626	00 00000000
12 20160805	00 00000000
10 20160712	00 00000000
08 20160630	00 00000000
00 00000000	
00 00000000	
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00 00000000	
00 00000000	

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PCC>49 MSC SC>17 CSC

Name and Address of Taxpayer  BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer Identification Number 259-51-7291	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY

	Period End 12/31/2012	Period End 12/31/2015	
<b>1. Adjustments to Income</b>			
a. Taxable Interest	11.00	12.00	
b. Sch C1 - Expenses for Business Use of Home	620.00	750.00	
c. Sch C1 - Oth Expenses - Amortization	1,667.00	1,667.00	
d. Sch C1 - Advertising	13,779.00	58,351.00	
e. Sch C1 - Oth Expense - Labor	45,149.00		
f. Sch C1 - Utilities	3,070.00		
g. SE AGI Adjustment	(4,541.00)	(6,016.00)	
h. Sch E1 - Royalties Received		8.00	
i. Sch C1 - Insurance (Other Than Health)		17,496.00	
j. Sch C1 - Contract labor		6,890.00	
k. Self-Employed Health Insurance		8,334.00	
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	59,755.00	87,492.00	
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	3,616.00	(5,987.00)	
<b>4. Corrected Taxable Income</b>	63,371.00	81,505.00	
Tax Method	TAX TABLE	TAX TABLE	
Filing Status	Single	Head of Household	
<b>5. Tax</b>	11,874.00	14,704.00	
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	11,874.00	14,704.00	
<b>8. Less Credits</b>			
a. Child Tax Credit	550.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	11,324.00	14,704.00	
<b>10. Plus Other Taxes</b>			
a. Self Employment Tax	11,099.00	15,011.00	
b. First-Time Homebuyer Credit Repayment	500.00	5,000.00	
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	22,923.00	34,715.00	
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	3,703.00	3,480.00	
<b>13. Adjustments to:</b>			
a.			
b. Earned Income Credit		(3,125.00)	
c. Addnl Child Tax Credit	(637.00)	(1,000.00)	
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	19,857.00	35,360.00	
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	19,857.00	35,360.00	

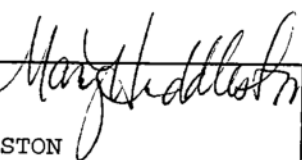
Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End	Period End	Period End
	12/31/2012	12/31/2015	
a. Delq-IRC 6651(a)(2)	4,979.58		
b. Delq-IRC 6651(a)(1)	4,467.83		
c. Accuracy-IRC 6662	3,971.40	7,072.00	
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>13,418.81</b>	<b>7,072.00</b>	
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00	0.00	
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	19,857.00	35,360.00	
b. Penalties (Line 18) - computed to 06/22/2017	13,418.81	7,072.00	
c. Interest (IRC § 6601) - computed to 07/22/2017	4,288.76	2,204.94	
d. TMT Interest - computed to 07/22/2017 (on TMT underpayment)	0.00	0.00	
e. Amount due or refund - (sum of Lines a, b, c and d)	37,564.57	44,636.94	

Other Information:

Examiner's Signature: 	Employee ID:	Office:	Date:
MARY K HUDDLESTON	1000848025		06/22/2017

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

**2012 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	83,992.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	9,000.00
5. Multiply line 4 by .05	450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	550.00
7. Corrected tax before allowable credits	11,874.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	11,874.00
10. Child tax credit (smaller of lines 6 or 9)	550.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	550.00
2. Child tax credit allowed (line 10 above)	550.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security and Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2012 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2013	
3. Date return filed	11/16/2015	
4. Failure to File penalty rate	0.225	
5. Failure to Pay penalty rate	0.250	
6. Total corrected tax liability		22,923.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		22,923.00
9. Failure to File Penalty - line 8 multiplied by line 4		5,157.68
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		5,157.68
12. Previously assessed/previously agreed Failure to File Penalty		689.85
13. Net Failure to File Penalty - line 11 less line 12		4,467.83
14. Failure to Pay Penalty - line 8 multiplied by line 5		5,730.75
15. Previously assessed/previously agreed Failure to Pay Penalty		751.17
16. Net Failure to Pay Penalty - line 14 less line 15 *		4,979.58
17. Total Delinquency Penalty - Sum of line 13 and 16		9,447.41

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty – Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	19,857.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	3,971.40
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	3,971.40

**40 Percent Penalty – Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	19,857.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Name Of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
18.20.00

Total

### 2012 TAX YEAR INTEREST COMPUTATION

Interest computed to	07/22/2017
Total Tax Deficiency	\$19,857.00
Plus Penalties*	
Failure to File - IRC 6651	\$4,467.83
Accuracy Related Penalty - IRC 6662	\$3,971.40
Accuracy Related Penalty - IRC 6662A	\$ .00
Civil Fraud - IRC 6663	\$ .00
Manually Computed Penalty	\$ .00
Total Penalties Subject to Interest	\$8,439.23
Tax Deficiency and Penalties Subject to Interest	\$28,296.23

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2013--12/31/2013	260	3%	\$611.17
Compound	01/01/2014--12/31/2014	365	3%	\$880.32
Compound	01/01/2015--12/31/2015	365	3%	\$907.13
Compound	01/01/2016--03/31/2016	91	3%	\$229.80
Compound	04/01/2016--12/31/2016	275	4%	\$943.48
Compound	01/01/2017--07/22/2017	203	4%	\$716.86

Total Interest \$4,288.76

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
18.20.00

Total

2012 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	90,364.00
2. Multiply line 1 by 92.35%	83,451.15
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	83,451.15
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	110,100.00
12. Multiply the smaller of line 5 or 11 by 10.40%	8,678.92
13. Multiply line 5 by 2.90%	2,420.08
14. Self-employment tax (sum of lines 12 and 13)	11,099.00

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W 2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 10.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
Total  
18.20.00

**2015 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	98,755.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	24,000.00
5. Multiply line 4 by .05	1,200.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	35,360.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	7,072.00
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	7,072.00

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	35,360.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
Total 18.20.00

### HOW TO PAY YOUR TAXES

If you agree with our examination, pay now by sending a check or money order payable to United States Treasury and your signed agreement. The enclosed report does not reflect any balance currently due on your account.

Why it is to your advantage to pay now:

- Decreases future interest charges
- Prevents assessment of failure to pay penalty
- Reduces payment of nondeductible interest
- Eliminates further contact with us

If you agree with our examination and cannot pay now:

- 1) Can you pay the full amount within 120 days?  Yes  No
  - If yes, send in the signed agreement now and submit the balance due when you receive a bill. Checks should be made payable to United States Treasury.
  - If no, you may be eligible for a payment plan.
- 2) If you would like us to consider an installment agreement, submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ \_\_\_\_\_ per month.

(We encourage you to make your payments as large as possible to limit penalty and interest charges.)

I would like my payment to be due on the \_\_\_\_\_ of the month.

(Please indicate a date between the 1<sup>st</sup> and 28<sup>th</sup> of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: (    ) \_\_\_\_\_

Work: (    ) \_\_\_\_\_

ALSO, if you agree with our examination, PLEASE SIGN PAGE 2 OF THE REPORT (Form 4549) and return pages 1 and 2 to us.

\* Interest and applicable penalties will continue to accrue until your balance is paid in full.

\* All checks or money orders for payment should be made payable to United States Treasury.

2015 TAX YEAR INTEREST COMPUTATION

Interest computed to		07/22/2017
Total Tax Deficiency		\$35,360.00
Plus Penalties*		
Failure to File - IRC 6651	\$ .00	
Accuracy Related Penalty - IRC 6662	\$7,072.00	
Accuracy Related Penalty - IRC 6662A	\$ .00	
Civil Fraud - IRC 6663	\$ .00	
Manually Computed Penalty	\$ .00	
Total Penalties Subject to Interest		<u>\$7,072.00</u>
Tax Deficiency and Penalties Subject to Interest		<u>\$42,432.00</u>

Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2016--06/30/2016	76	4%	\$353.89
Compound	07/01/2016--09/30/2016	92	4%	\$432.34
Compound	10/01/2016--12/31/2016	92	4%	\$436.71
Compound	01/01/2017--03/31/2017	90	4%	\$432.68
Compound	04/01/2017--06/30/2017	91	4%	\$441.84
Compound	07/01/2017--07/22/2017	22	4%	\$107.48

Total Interest \$2,204.94

Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

06/22/2017  
Total 18.20.00

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2015 - Schedule EIC - Computation of Earned Income Credit

1. Investment income (if amount is greater than \$3,400, no credit is allowed)	8.00
2. Wages, salaries, tips, etc.	0.00
3. Taxable scholarship or fellowship grant	0.00
4. Amount paid to an inmate in a penal institution	0.00
5. Pension or annuity from nonqualified plan or 457 plan	0.00
6. Amount of any nontaxable combat pay received	0.00
7. Line 2 plus line 6 less the sum of lines 3, 4, and 5	0.00
8. Net profit or loss from self-employment less deductible part of SE tax	98,735.00
9. Earned income (sum of lines 7 and 8)	98,735.00
10. Credit allowed using the amount on line 9	0.00
11. Adjusted gross income	98,755.00
12. Credit allowed using the amount on line 11 (if applicable)	0.00
13. Earned income credit (smaller of lines 10 and 12, if applicable or zero if line 1 is greater than the yearly investment income limitation amount)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

06/22/2017  
18.20.00

2015 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	106,241.00
2. Multiply line 1 by 92.35%	98,113.56
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	98,113.56
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	118,500.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,166.08
13. Multiply line 5 by 2.90%	2,845.29
14. Self-employment tax (sum of lines 12 and 13)	15,011.37

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	0.00
7. Social security wages and tips from W-2	118,500.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer <b>BRANDON TANKERSLEY</b>	Taxpayer Identification Number <b>259-51-7291</b>	Year/Period Ended <b>2012 2015</b>

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,842.00	\$6,383.00	(\$4,541.00)
2015	\$1,490.00	\$7,506.00	(\$6,016.00)

Your self-employment tax for the 2012 tax year has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted based on the recomputed amount of tax as follows: If the recomputed self-employment tax is \$14,643.30 or less, the deduction is 57.51% of the recomputed self-employment tax. If the recomputed self-employment tax is more than \$14,643.30, the deduction is 50% of the recomputed self-employment tax plus \$1,100.00.

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,203.00	\$11,099.00	\$7,896.00
2015	\$2,980.00	\$15,011.00	\$12,031.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

**Statutory-Earned Income Credit**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$3,125.00	\$0.00	(\$3,125.00)

Because we changed your adjusted gross income and/or your earnings and those changes affected your modified adjusted gross income or earned income, we have also adjusted your earned income credit.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Interest Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	.00	11.00	11.00	507-2
201412	.00	12.00	12.00	507-3
201512	.00	12.00	12.00	507-4
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amounts not previously on the tax returns.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received interest income and did not include the amounts on the tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: 61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Business Use of Home</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	620.00	.00	620.00	See below
201412	1,032.00	.00	1,032.00	See below
201512	750.00	.00	750.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to disallow Business Use of the Home.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
To qualify for deductions, the area in the home used for business must be used regularly and exclusively as the principal place of business. Any personal use of the space, no matter how small, means the exclusive use test is failed. No tour of business was completed to observe the business use area. Additionally, depreciation is only allowed for home owners. Taxpayer did not own the business address listed on the tax return of 848 Grove Circle Avenue, Cleveland, TN.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: §162, 212 & 167				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/27

### Amortization Expense

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	1,667.00	.00	1,667.00	See below
201412	1,666.00	.00	1,666.00	See below
201512	1,667.00	.00	1,667.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*  
Issue is adjusted to disallow the Amortization Expense.

**Facts:** *(Document the relevant facts.)*  
Taxpayer did not provide any substantiation or records to support the amortization expense claimed on the return. The item is disallowed as an ordinary and necessary business expense.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*  
IRC Section: § 162 & 212  
Specific citations:  
**Taxpayer Position:** *(If applicable)*  
Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Advertising Expense Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	19,099.00	5,320.00	13,779.00	501-2
201412	34,775.00	.00	34,775.00	See below
201512	58,351.00	.00	58,351.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Issue is adjusted to the substantiated amounts.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. Advertising expenses must bear a reasonable relationship to the business activity. Business records should show gross income, deductions, and credit. Records should also be supported with contracts sales slips, invoices, receipts, canceled checks, etc.

Taxpayer did not provide complete substantiation for the advertising deduction.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*

IRC Section: § 162, 212

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Other Expense - Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	45,416.00	267.00	45,149.00	405-2
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Other Expense – Labor is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Taxpayer did not provide substantiation to completely support the other expense – labor, in the amount of \$45,416. If \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. The Form 1099 will be used by the recipient to complete their tax return.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

## 2012 Sch C - Other Expenses, Outside Labor

**Taxpayer:** TANKERSLEY,  
 BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/2017

**For S/D (Source Document) column, utilize the following abbreviations:**  
 cc - canceled check    st - statement    ot - oral testimony    r - receipt

Paid To	cc	Per Return	Per Exam	Adjustment	Comments
Per Return		45,416.00			
Velocity Moving & Storage			267.00		11/5/12
<b>Total</b>		45,416.00	267.00	45,149.00	

**Comments:**

Payments made for outside services are ordinary and necessary business expenses. Any individual paid more than \$600 should receive a Form 1099 for the total amount of services provided during the year. This form is used to report the income on their return. Individuals receiving more than \$400 in income are required to complete and attach the Self Employment Tax form to their return.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Utilities Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201212	3,070.00	.00	3,070.00	See below
201412	2,736.00	.00	2,736.00	See below
201512	.00	.00	.00	
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Utilities are disallowed as a business expense.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. He provided copies of utility bills for electricity and water for 2012 for the address 318 Farmway Dr., Cleveland, TN. However, the tax return has a different address where the taxpayer claimed Business Use of the Home. Taxpayer did not provide an explanation for electricity and water at the Farmway Dr address as an ordinary and necessary business expense for his moving company.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Royalty Income</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201512	.00	8.00	8.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to include amount not previously on the return.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer received royalty income and did not include the amount on the tax return.				
<b>Law:</b> <i>(Tax law, regulations, court cases, and other authorities. If unagreed, include argument.)</i>				
IRC §61				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				



**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Schedule C - Insurance Expense</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201512	17,496.00	.00	17,496.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
<p>Taxpayer operates a moving company in Cleveland, TN. Insurance is an ordinary and necessary business expense. However, business records should show gross income, deductions, and credit. Records should also be supported with an insurance policy and billing invoices showing the type of insurance and amounts paid. Example include, Fire, Theft, Flood, Credit Insurance for losses from bad debts, Liability, Malpractice, Worker's Compensation, Overhead, Car &amp; Other Vehicles, etc.) Standard mileage rates include all vehicle operating and ownership costs, therefore if the standard mileage rate is used, no deduction for insurance for the vehicles is allowed.</p> <p>Taxpayer did not provide substantiation for the insurance deduction.</p>				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162, 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

<b>Contract Labor</b>				
<b>Tax Period</b>	<b>Per Return</b>	<b>Per Exam</b>	<b>Adjustment</b>	<b>Reference</b>
201412	8,929.00	428.68	8,500.32	See below
201512	6,890.00	.00	6,890.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amount.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Contract labor is an ordinary and necessary business expense. However, if \$600 or more is paid to an individual for services performed during the year, the payer must file Forms 1099-MISC and Form 1096 with the IRS by February 28 of the following year. A copy of the Form must be given to the worker. Records will show the name, social security number, and the amount paid to each individual. Taxpayer provided limited substantiation to support the Contract Labor deduction in 2014 and no substantiation was provided for 2015.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)</i>				
IRC Section: § 162 & 212				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Self Employment Health Insurance Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201412	16,655.00	.00	16,655.00	See below
201512	8,334.00	.00	8,334.00	See below
<b>Conclusion:</b> <i>(Reflects the final determination on the issue.)</i>				
Issue is adjusted to the substantiated amounts.				
<b>Facts:</b> <i>(Document the relevant facts.)</i>				
Taxpayer operates a moving company in Cleveland, TN. Health insurance premiums paid on behalf of the sole proprietor are deducted as an adjustment to income. The insurance can cover the proprietor, and his dependents. The deduction is limited to the net profit from Schedule C minus the deductions for self-employment tax and for contributions for the sole proprietor's benefit to a retirement plan. Taxpayer did not provide any substantiation to support the health insurance deduction.				
<b>Law:</b> <i>(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument)</i>				
IRC Section: §162(l)				
Specific citations:				
<b>Taxpayer Position:</b> <i>(If applicable)</i>				
Unknown.				

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary  
**Date:** 6/22/17

### FTHBC Recapture Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201512	500.00	5,000.00	4,500.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

First Time Home Buyer's Credit is recaptured.

**Facts:** *(Document the relevant facts.)*

(b)(3)-26  
U.S.C. §  
6103

	Received	Paid Back	Remaining
2010		(\$500)	\$7,000
2011		(\$500)	\$6,500
2012		(\$500)	\$6,000
2013		(\$500)	\$5,500
2014		(\$500)	\$5,000
2015		(\$500)	\$4,500
<b>Total</b>	<b>\$7,500</b>	<b>\$3,000</b>	<b>\$4,500</b>

(b)(3)-26  
U.S.C. §  
6103

Taxpayer sold the home in 2015 for which the First Time Homebuyer's Credit was received.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §36

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Sch C1 - Gross Receipts or Sales Lead Sheet

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	176,695.00	176,695.00	.00	See below
201412	185,803.00	185,803.00	.00	See below
201512	208,031.00	208,031.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*

Gross Receipts are accepted as filed.

**Facts:** *(Document the relevant facts.)*

Taxpayer operates a moving company in Cleveland, TN. He operates the business using the cash method of accounting. For 2012, bank deposits were used to determine income. Additionally, taxpayer provided copies of some merchant statements for 2012.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, add Argument)*

IRC Section: §61

Specific citations:

**Taxpayer Position:** *(If applicable)*

Unknown.

**Taxpayer Name:** TANKERSLEY, BRANDON  
**TIN:** 259-51-7291.  
**Tax Form:** 1040  
**Tax Year (s):** 201212, 201412, 201512

**Examiner:** Huddleston, Mary K  
**Date:** 6/22/17

### Car & Truck Expense

Tax Period	Per Return	Per Exam	Adjustment	Reference
201212	24,401.00	24,401.00	.00	See below
201412	42,794.00	42,794.00	.00	See below
201512	51,324.00	51,324.00	.00	See below

**Conclusion:** *(Reflects the final determination on the issue.)*  
Car and Truck expenses are accepted as filed.

**Facts:** *(Document the relevant facts.)*  
Taxpayer operates a moving company in Cleveland, TN. Taxpayer provided copies of receipts for fuel purchases.

**Law:** *(Tax Law, Regulations, court cases, and other authorities. If Unagreed, include Argument.)*  
IRC Section: §162  
Specific citations:

**Taxpayer Position:** *(If applicable)*  
Unknown.

Version: 18.20.00  
 Taxpayer Name: TANKERSLEY, BRANDON  
 TIN: 259-51-7291  
 Examiner: Huddleston, Mary K

COMPLIANCE EVALUATION WORKPAPERS

Tax Period	Issue Name/ Categorization	Adjustment/ PBA-NAICS Ret/PBA-NAICS Exam		IMF Issue Code/ Form/Sch	Causal Cd/ Line No.
201212	Sch C1 - Gross Receipts or Sales Schedule C income-primary	484110	0.00 484110	4C101 SCH C1	53 1
201212	Sch C1 - Car and Truck Expenses Schedule C expenses-primary	484110	0.00 484110	5C110 SCH C1	53 9
201212	Sch C1 - Utilities Schedule C expenses-primary	484110	3,070.00 484110	5C125 SCH C1	03 25
201212	Sch C1 - Oth Expense - Labor Schedule C expenses-primary	484110	45,149.00 484110	5C127 SCH C1	03 27a
201212	Sch C1 - Advertising Schedule C expenses-primary	484110	13,779.00 484110	5C108 SCH C1	03 8
201212	Sch C1 - Oth Expenses - Amortizatio Schedule C expenses-primary	484110	1,667.00 484110	5C127 SCH C1	02 27a
201212	Sch C1 - Expenses for Business Use Schedule C expenses-primary	484110	620.00 484110	5C130 SCH C1	02 30
201212	Taxable Interest Other income		11.00	41008 1040	03 8a
201212	Accuracy Related Penalty - 6662 De minimis-income or taxes		3,971.40	62401 x	52 99





**TEFRA/NonTEFRA Instructions for CCP (To be completed by Technical Services or CTF Only)**

**TEFRA Key Case**

- Final Closure  906 agreement  
**Non-TEFRA Key Case**  Partnership  S-Corp  
 Unagreed or Undetermined  
 Agreed or No-Change

**Transfer to CTF**

- BSC  
 OSC

Other Instructions:

**Investor**

- Full Closure  Partial Closure  
 Agreed  
 No-Change  
 Survey  
 906 agreement (see other instructions)

TS/CTF TEFRA Coordinator \_\_\_\_\_

Date \_\_\_\_\_ Telephone number ( ) - \_\_\_\_\_

Form 8339 attached

**Special/Restricted Interest Features ("x" all that apply)**

- 6205 Interest Free adjustment date  
*(agreed employment tax returns)*  
 6404(g) Tax Year \_\_\_\_\_ Notice date \_\_\_\_\_ Tax \_\_\_\_\_  
 2nd Notice date \_\_\_\_\_ Tax *(tax due on new items or adjustments only)* \_\_\_\_\_  
 Not applicable  
 6404(g) Tax Year \_\_\_\_\_ Notice date \_\_\_\_\_ Tax \_\_\_\_\_  
 2nd Notice date \_\_\_\_\_ Tax *(tax due on new items or adjustments only)* \_\_\_\_\_  
 Not applicable  
 Interest Netting *(a.k.a. global netting or net rate interest due to IRC 6621(d))*  
 Rev Rule 99-40 applicable due to credit elect- Completed Form 2210/2220 attached  
 Rev Rule 99-40 NOT applicable due to credit elect-Forms 2210/2220 not required  
 Multiple Agreements: Date of first RAR \_\_\_\_\_  
 NOL and/or Capital Loss Carryback  
 GATT *(applicable to corporate overpayments > \$10,000 after 12/31/94)*  
 2% LCU *(Large Corporate Underpayments > \$100K, complete items 3 & 4 on F5344 (if applicable and DC > 03))*  
 Other Code Section

**Letter Instructions for CCP**

*("x" all that apply)*

- Copy to POA - Letter 937  
 Agreed - Letter 987  
 Agreed - Letter 1002 *(Forms 1120S/1065/Employment Tax)*  
 Agreed - Letter 3382 *(Unpaid Employment Tax)*  
 No Change Letters:  
 Letter 590 *(straight N/C)*  Letter 1156 *(change/no change)*  
 Letter 992 *(1120S, 1065)*  Letter 3381 *(Employment Tax)*  
 Claim Letters: *(Completed draft copy enclosed)*  
 Fully Allowed - L570  
 Estate Tax Closing Letter 627  
 Other Letter \_\_\_\_\_ For Years \_\_\_\_\_  
 No letter required to be sent by CCP  
 Other Instructions

Court Decision (if assessment ordered by court order) (CCP instructions-check box for Exam agreed if completing Form 2859)

**Over \$100,000 Agreed and Unpaid**

Agreement Received \_\_\_\_\_ Total Amount of Deficiencies/Overassessments plus Penalties  
*(Not Offset by Overassessments, Over \$100,000 criteria is applied per tax period)* \$ \_\_\_\_\_

Examiner	Date Received	Date Closed	Days	Initial	
Group Manager	_____	_____	_____	_____	<i>(Explain Days &gt; 4 from Agreement Received Date)</i>
	_____	_____	_____	_____	<i>(Explain Days &gt; 4 from Agreement Received Date)</i>

Explanation of Delays:

**Special Handling Notice for Examination Case Processing**

Business Unit (*"x" one*)  
 LB&I  SB/SE  W&I  Excise  Estate or Gift  Employment

(*"x" one and include disk where applicable*)  
 CEAS  Non-CEAS  BNA CTAA / EOAD  Employment Tax  Other (*explain*)

Employee Preparing Form  Field RA Case  Office Audit TCO Case  Campus Exam

Person to contact (*Name and SEID*) MARY K HUDDLESTON TWGMB

Telephone (423) 305-2282or423 Primary Business Code 202 Secondary Business Code 23500

Fax (877) 237-0438 Group Number 1508 RGS Identifier/Group ID 52 / G7 Employee ID/Badge No. 1000848025

Case forwarded to RGS file server/date (*if applicable*) \_\_\_\_\_ Manager Initials PH  F895 included (*if applicable*)

Taxpayer Identification Number (*SSN / EIN*) 259-51-7291 Case Controlled on ERCS under TIN \_\_\_\_\_ (*for Preparer Penalty cases only*)

CIC Case (*LB&I only*) LB&I CIC Case Projected Closing Date \_\_\_\_\_ Earliest Statute Date (*include alpha statute AC for key case p'shp*) 11/16/18

Taxpayer Name TANKERSLEY, BRANDON  
 Address (*Street, City, State, Zip Code*)  
2435 Valley Hills Dr NW  
CLEVELAND, TN, 37311-3528

POA is valid for Years or Tax Periods 201212, 201512

**Forms Enclosed**  
 Form 433-D  Form 9440  Form 3177  Form 2159  
 Form 9465  Form 2363 (*Should be faxed/mailed to CCP BEFORE closing*)

**Expedite Processing** (*"x" all that apply*)  
 Statute Less Than 90 days (*notify CCP or Tech Services of short statute case*)  
 Over \$100,000 Agreed and Unpaid (*complete page 2*)  
 Manual Refund  Code Section 6166  
 Other (*explain*)

**Special Features** (*NOTE: Appropriate Freeze Code(s) released before sending to CCP*)  
 Amended Return in File and Considered (*Form 5344 required*)  
 Surveyed Claim (*Form 5344 required*)  
 Change Filing Status to: \_\_\_\_\_  
 Civil Penalties (*Form 8278*)  
 CI Freeze (*memo to release freeze in case file*)  
 Final Closure - partial assessment previously completed  
 Freeze from Refunding (*Explain below*)  
 Individual Retirement Account (IRA) Adjustments  
 Joint Committee (closure types A/NC/Survey) (*Fwd to Jt Com Rev Grp St 21, TSC 901*)  
 MFT 31 Adjustment  
 F5344, item 15 more than 8 ref codes (*REQ54 req'd*)  
 Non-Master File (NMF) Examined Cases  
 Partial Assessment Requested  
 Preparer Penalty Case, Code Section \_\_\_\_\_  
*(forward agreed/unagreed to PSP, update to status 41-SB/SE cases only)*  
 Restricted Interest applies to yr \_\_\_\_\_ (*Form 2285 NOT req'd, see pg 2*)  
 Separate to Joint KEEP THESE CASES TOGETHER  
 SFR TC 150 Posted - *Process delinquent return as partial assessment*  
 SFR TC 150 Posted - *Process delinquent return as final closure*  
 Tax Return Conversion (*i.e., 1120 to 1120S, 1065 to 1041*)  
 EITC Ban 2 or 10 yr, Priority Code needed  
 Other Instructions \_\_\_\_\_

**Related Taxpayers or Key Cases** (*If more than 6 related TPs or key cases are closing with your case, attach Form 10329*)

Name	TIN	MFT	Tax Period

**Forward to Technical Services** (*"x" all that apply*) - Update to Status 21

Unagreed for Statutory Notice  Unagreed Bankruptcy  
 Unagreed to Appeals  Unagreed to Appeals w/Int'l Issue, Activity Code: \_\_\_\_\_  
 Civil Disposition of Joint Investigation-AIMS Freeze Code P (*includes Criminal Restitution*)  
 Closing Agreements - Form 906 (*if Technical Services signature required*)  
 Employee Audits  
 Innocent Spouse  
 Interest Abatement  
 Jeopardy or Termination  
 Unagreed Notice of Worker Classification  
 OIC - Doubt as to Liability  
 Penalty Abatement  
 Personal Holding Companies  
 Qualified Offers-IRC Sec. 7430  
 Reopening (Memorandum)  
 Restricted Interest applies to yr \_\_\_\_\_ (*Form 2285 req'd, and no LB&I TCS involvement*)  
 Statutory Notice of Claim Disallowance - Letters 905 and 906  
 Suspense Cases:  Form 1254  Fraud Suspense  Grand Jury  
 Hqtrs Form 1260  Sec. 183 (*Form 5213*)  
 Protective Claims  Sec. 1033  
 TEFRA or Non-TEFRA Key Case (*Forms 1065, 1120-S, (PICF Codes 1, 2 & 3)*)  
 TEFRA or non-TEFRA Investor (*PICF Codes 4, 5 & 6*)  
 Other: \_\_\_\_\_

Internal Revenue Service  
 Received  
 JUL 27 2017

Technical Services  
 Form 2285 req'd, and no LB&I TCS...

More than 8 reference codes, Req 54 input required.

Forward to CCP - Update to Status 51  Forward to Tech Services - Update to Status 21  Forward to PSP - Update to Status 41  
*(Examiner to complete all information in this section)* Date Closed to Manager 7/24/17 Manager Name PAM HARDEN

Tax Period (Multiple years of the same TIN)	MFT	NAICS Code	Disposal Code	SRC	Tax Deficiency/Overassessment	Interest	Penalty Code Section	Penalty Amount (no cents)	Adjustment Amount (same as item 34 on F5344)	Agreement Date	Payment F/P/N/O
201212	30	484110	08		19,857.00	4,288.76	6651(a)(1)	4,468			N
201212	30						6651(a)(2)	4,980			
201212	30						6662(a)	3,971			
201512	30	484110	08		35,360.00	2,204.94	6651(a)(1)	0			N
201512	30						6662(a)	7,072			

# ATTACHMENT ALERT

CONTROLLING DLN (THIS BLOCK MUST BE COMPLETED)  
49247-452-30737-8

EMPLOYEE IDRS NUMBER: (if not IDRS user, enter first name and last name)  
0377880572

DATE PREPARED:  
3/27/2018

STOP NUMBER AND ALPHA:  
803

**DO NOT USE THIS FORM TO TRANSMIT RETURNS OR DOCUMENTS TO BE REFILED  
THIS FORM IS USED FOR THE SPECIFIC PURPOSE OF ASSOCIATING OR ATTACHING  
RETURN INFORMATION TO A RETURN IN THE FILES STORAGE AREA.**

**THIS INFORMATION MUST BE THAT OF THE RETURN TO WHICH THESE ATTACHMENTS SHOULD BE ASSOCIATED.**

EIN/SSN:  
259-51-7291

NAME CONTROL  
TANK

FORM:  
1040

PERIOD ENDING  
201212

## ALERT UNSERVICEABLE (FRC Use Only)

REASON	DATE SERVICED	RESEARCHER'S NAME	NOTES
<input type="checkbox"/> BLOCK MISSING <input type="checkbox"/> WRONG DLN			
<input type="checkbox"/> WRONG TAXPAYER <input type="checkbox"/> OTHER			

## FILES INSTRUCTIONS

1. If the return is in the block, complete the association process.
2. If the return is missing or charged out, file the Form 9856 and the attachment in the return block.

## ADDITIONAL INSTRUCTIONS

Return information (i.e., schedules, W-2's, correspondence, etc.) must be transmitted to files with Form 9856, "Attachment Alert" using the controlling DLN. The control DLN can be found using CFOL Command Codes.

**DO NOT** attach workpapers and request forms that can be re-created such as: MFTRA prints, TXMOD prints, transcripts, labels, Form 2275, Form 4251, microfilmed copies of checks, etc.

Following is a list of some of the TAX class and DOC codes that should not have attachments associated with them:  
\* Except 070 and 800 blocking series

BMF	IMF	NMF	IRAF/EPMF
117 318 448 717 834 978	204 250	649	001 048
118 319 452 718 839 980	214 251	614	007 049
119 324 458 719 848	217 252		010 050
124 334 487 724 852	218 258		014 052
134 348 517 734 858	219 263		018 053
135 352 518 748 870	220 270		024 058
148 358 524 752 887	224 277		034 063
152 387 534 758 904	234 278		045 077
158 417 545 787 914	248 287		087
170 418 548 817 949	249		
187 419 552 818 950			
304 424 558 819 *963			
317 434 587 824 977			

**Department of the Treasury**  
**Internal Revenue Service**

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

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Department of the Treasury  
Internal Revenue Service  
Small Business/Self Employed  
Technical Services  
801 Broadway MDP 12  
Nashville, TN 37203

Date: **OCT 05 2017**

Taxpayer ID number (last 4 digits):  
7291

Form:  
1040

Tax periods:  
2012 and 2015

Person to contact:  
G. Burgess

Employee ID number:  
1000342121

Contact telephone number:  
615.250.6006


Refer reply to:  
G. Burgess

Dear Brandon Tankersley,

We did not send a copy of the enclosed Notice of Deficiency to your representative. The power of attorney granted to your representative did not authorize them to represent you for all tax periods included in the notice.

You may want to consider providing a copy of the Notice of Deficiency to your representative.

Sincerely,

  
Susan M. Lamastro  
Technical Services Territory Manager

Enclosure:  
Notice of Deficiency



Department of the Treasury  
Internal Revenue Service  
Small Business and Self-Employed

Technical Services  
801 Broadway, Stop 12  
Nashville TN 37203

CERTIFIED MAIL

BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Date: **OCT 05 2017**

Taxpayer ID number:  
259-51-7291

Form:  
1040

Person to contact:  
G. Burgess

Contact telephone number:  
615.250.6006

Contact fax number:  
877.477.3711

Employee ID number:  
1000342121

Last day to file petition with US tax court:

**JAN 03 2018**

Tax Year Ended:	December 31, 2012	December 31, 2015
Deficiency:		
Increase in tax	\$19,857.00	\$35,360.00
Penalties or Additions to Tax		
IRC 6651(a)(1)	4,964.25	
IRC 6662(a)	3,971.40	7,072.00

Dear BRANDON TANKERSLEY:

**Why we are sending you this letter**

We determined that you owe additional tax or other amounts, or both, for the tax year or years identified above. This letter is your **Notice Of Deficiency**, as required by law. The enclosed Form 4549-A, *Income Tax Discrepancy Adjustments* or Form 5278, *Statement - Income Tax Changes*, shows how we figured the deficiency.

**If you wish to challenge this determination**

If you want to challenge this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court to reconsider the deficiency.

**Information you will need**

If you have recently sought bankruptcy relief by filing a petition in bankruptcy court, see enclosed Notice 1421, *How Bankruptcy Affects Your Right to File a Petition in Tax Court in Response to a Notice of Deficiency*.

You can get a copy of the rules for filing a petition and a petition form by writing to the following address:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

- The Tax Court has a simplified procedure for small tax cases when the dispute for each tax year is \$50,000 or less.
- If you use this simplified procedure, you cannot challenge the Tax Court's decision. You can get information on the simplified procedure for small cases from the Tax Court by writing to the court at the address above or from the court's internet site at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).
- If you file a petition for multiple tax years and the dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you.

### **The law regarding married couples**

The law requires separate notices for husbands and wives. Both must sign and file the petition or each must file a separate, signed petition if this letter is addressed to both husband and wife, and both want to petition the Tax Court.

If only one spouse is in bankruptcy at the time this letter was issued or files a bankruptcy petition after the date of this letter, the bankruptcy automatic stay does not prohibit the spouse who is not in bankruptcy from filing a petition with Tax Court. The bankruptcy automatic stay of the spouse seeking bankruptcy relief does not extend the time for filing a petition in Tax Court for the spouse who is not in bankruptcy.

### **How to file your petition form**

Send the completed petition form, a copy of this letter, and copies of all statements and/or schedules you received with this letter to the Tax Court at the address above. If more than one tax year is shown above, you may file one petition form showing all of the years you are challenging.

You may represent yourself before the Tax Court, or you may be represented by anyone admitted to practice before the Tax Court.

### **The limits on filing a petition**

The time you have to file a petition in the Tax Court is set by law.

1. The petition is considered timely filed if the postmark date falls within the prescribed 90 or 150 day period and the envelope containing the petition is properly addressed with the correct postage.
2. The Tax Court cannot consider your case if your Tax Court petition is filed late. IRS cannot grant an extension or allow a suspension of the prescribed deadline, even for reasonable cause. Thus, contacting the Internal Revenue Service (IRS) for more information, or receiving other correspondence from the IRS won't change the allowable period for filing a petition with the Tax Court.

### **If you agree with the Notice of Deficiency**

If you decide not to file a petition with the Tax Court, please sign the enclosed Form 4089-B, *Notice of Deficiency - Waiver*, and return it to us at the IRS address on the top of the first page of this letter. This will permit us to assess the deficiency quickly and can help limit the accumulation of interest.

### **If we don't hear from you**

If you decide not to sign and return Form 4089-B, and you do not file a petition with the Tax Court within the time limit, the law requires us to assess and bill you for the deficiency after 90 days from the date of this letter (150 days if this letter is addressed to you outside the United States).

**Note:** If you are a C-corporation, Section 6621(c) of the Internal Revenue Code requires that we charge an interest rate two percent higher than the normal rate on corporate underpayments in excess of \$100,000.

**Information about the IRS Taxpayer Advocate Office**

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. You may be eligible for help from the Taxpayer Advocate Service (TAS) if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should. TAS is your voice at the IRS. TAS helps taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation (this includes businesses as well as individuals). You can reach TAS by calling the TAS toll-free number at 1-877-777-4778 or by contacting the local Taxpayer Advocate office at:

801 Broadway Stop 22  
Nashville, TN 37203

To learn more about TAS and your basic tax responsibilities, visit [www.TaxpayerAdvocate.irs.gov](http://www.TaxpayerAdvocate.irs.gov).

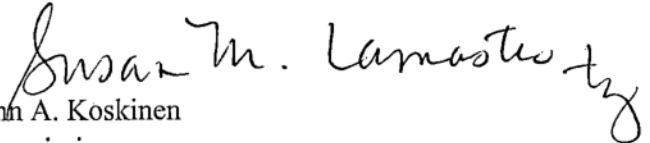
**How to contact us**

You may write or call the contact person whose name, telephone number, and IRS address are shown in the heading of this letter if you need further assistance. If you write, please include your telephone number, the best times if we need to call you and a copy of this letter to help us identify your account.

If you prefer to call and the telephone number is outside your local calling area, there may be a long distance charge to you.

Keep the original letter for your records.

Sincerely,



John A. Koskinen  
Commissioner

By  
Susan M. Lamastro, Territory Manager  
Technical Services

Enclosures:  
Form 4549-A or Form 5278  
Form 4089-A or Form 4089-B



Continuation Sheet

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NAME: BRANDON TANKERSLEY

TIN: 259-51-7291

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Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

Delinquency Penalty IRC section 6651(a)(1)

Since you did not file your return within the time prescribed by law, and you did not show that not filing was due to reasonable cause, a penalty of 5 percent is added to the tax for each month or part of a month for which your return was late. The penalty will not exceed a total of 25 percent. In addition, interest is figured on this penalty from the due date of this return, (including any extension). See section 6651(a)(1) and 6601(e)(2) of the Internal Revenue Code.

Accuracy-related Penalty IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Form **4089-B**  
(October 1999)

Department of the Treasury — Internal Revenue Service

Symbols

**Notice of Deficiency-Waiver**

S:E:FE:TS:NAC:G25:TZ

Name and address of taxpayer(s)  
BRANDON TANKERSLEY  
2435 Valley Hills Dr NW  
CLEVELAND TN 37311-3528

Social Security or Employer Identification Number  
259-51-7291

Kind of tax

Copy to authorized representative


Income


**DEFICIENCY — Increase in Tax and Penalties**


Tax Year Ended:	December 31, 2012	December 31, 2015
Deficiency: Increase in tax	19,857.00	35,360.00
Penalties		
IRC 6662 20%	3,971.40	7,072.00
IRC 6651(a)(1)	4,964.25	


**See the attached explanation for the above deficiencies**

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.


Your Signature  \_\_\_\_\_ (Date signed)

Spouse's Signature  
(If A Joint Return Was Filed)  \_\_\_\_\_ (Date signed)

Taxpayer's Representative Sign Here  \_\_\_\_\_ (Date signed)

Corporate Name  \_\_\_\_\_

Corporate Officers Sign Here  \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

 \_\_\_\_\_ (Signature) \_\_\_\_\_ (Title) \_\_\_\_\_ (Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

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## Instructions for Form 4089 B

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### Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

### Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

### Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
  
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Name and Address of Taxpayer  BRANDON TANKERSLEY 2435 Valley Hills Dr NW CLEVELAND TN 37311-3528	Taxpayer Identification Number 259-51-7291	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title: BRANDON TANKERSLEY

1. Adjustments to Income	Period End 12/31/2012	Period End 12/31/2015	Period End
a. Taxable Interest	11.00	12.00	
b. Sch C1 - Expenses for Business Use of Home	620.00	750.00	
c. Sch C1 - Oth Expenses - Amortization	1,667.00	1,667.00	
d. Sch C1 - Advertising	13,779.00	58,351.00	
e. Sch C1 - Oth Expense - Labor	45,149.00		
f. Sch C1 - Utilities	3,070.00		
g. SE AGI Adjustment	(4,541.00)	(6,016.00)	
h. Sch E1 - Royalties Received		8.00	
i. Sch C1 - Insurance (Other Than Health)		17,496.00	
j. Sch C1 - Contract labor		6,890.00	
k. Self-Employed Health Insurance		8,334.00	
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	59,755.00	87,492.00	
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	3,616.00	(5,987.00)	
<b>4. Corrected Taxable Income</b>	63,371.00	81,505.00	
Tax Method	TAX TABLE	TAX TABLE	
Filing Status	Single	Head of Household	
<b>5. Tax</b>	11,874.00	14,704.00	
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	11,874.00	14,704.00	
<b>8. Less Credits</b>			
a. Child Tax Credit	550.00		
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	11,324.00	14,704.00	
<b>10. Plus Other Taxes</b>			
a. Self Employment Tax	11,099.00	15,011.00	
b. First-Time Homebuyer Credit Repayment	500.00	5,000.00	
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	22,923.00	34,715.00	
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	3,703.00	3,480.00	
<b>13. Adjustments to:</b>			
a.			
b. Earned Income Credit		(3,125.00)	
c. Addnl Child Tax Credit	(637.00)	(1,000.00)	
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	19,857.00	35,360.00	
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15) (Excluding interest and penalties)</b>	19,857.00	35,360.00	

Name of Taxpayer  
BRANDON TANKERSLEY

Taxpayer Identification Number  
259-51-7291

Return Form No.:  
1040

	Period End 12/31/2012	Period End 12/31/2013	Period End
<b>17. Penalties/ Code Sections</b>			
a. Delq-IRC 6651 (a) (1)	4,964.25		
b. Accuracy-IRC 6662	3,971.40	7,072.00	
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>8,935.65</b>	<b>7,072.00</b>	
Underpayment attributable to negligence: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to fraud: (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.			
Underpayment attributable to Tax Motivated Transactions (TMT). Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).	0.00	0.00	
<b>19. Summary of Taxes, Penalties and Interest:</b>			
a. Balance due or (Overpayment) Taxes - (Line 16, Page 1)	19,857.00	35,360.00	
b. Penalties (Line 18) - computed to 10/02/2017	8,935.65	7,072.00	
c. Interest (IRC § 6601) - computed to 11/01/2017	4,736.71	2,706.67	
d. TMT Interest - computed to 11/01/2017 (on TMT underpayment)	0.00	0.00	
e. Amount due or refund - (sum of Lines a, b, c and d)	33,529.36	45,138.67	

Other Information:

Examiner's Signature: Name	Employee ID:	Office:	Date:
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
18.20.00

Total

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**2012 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	83,992.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	9,000.00
5. Multiply line 4 by .05	450.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	550.00
7. Corrected tax before allowable credits	11,874.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	11,874.00
10. Child tax credit (smaller of lines 6 or 9)	550.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	550.00
2. Child tax credit allowed (line 10 above)	550.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security and Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

Total

10/02/2017  
18.20.00

### EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and/or the tax was not paid, and you have not shown that such failure was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a)(1) and/or Section 6651(a)(2) of the Internal Revenue Code.

#### 2012 - DELINQUENCY PENALTY

1. Delinquency penalty abated		0.00
2. Date return due	04/15/2013	
3. Date return filed	11/16/2015	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax liability		22,923.00
7. Allowable payments on or prior to due date of return		0.00
8. Net Amount Due (line 6 less line 7)		22,923.00
9. Failure to File Penalty - line 8 multiplied by line 4		5,730.75
10. Minimum penalty if over 60 days delinquent		135.00
11. Failure to File Penalty - Greater of line 9 or line 10		5,730.75
12. Previously assessed/previously agreed Failure to File Penalty		766.50
13. Net Failure to File Penalty - line 11 less line 12		4,964.25
14. Failure to Pay Penalty - line 8 multiplied by line 5		0.00
15. Previously assessed/previously agreed Failure to Pay Penalty		0.00
16. Net Failure to Pay Penalty - line 14 less line 15 *		0.00
17. Total Delinquency Penalty - Sum of line 13 and 16		4,964.25

- If an amount appears as the Failure to Pay Penalty, the amount only reflects the addition to tax under Internal Revenue Code section 6651(a)(2) through the date of this notice. The addition to tax will continue to accrue from the due date of the return at a rate of 0.5 percent each month, or fraction thereof, of nonpayment, not exceeding 25 percent.

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	19,857.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	3,971.40
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	3,971.40

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	19,857.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	19,857.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	0.00



Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
Total 18.20.00

2012 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	90,364.00
2. Multiply line 1 by 92.35%	83,451.15
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	83,451.15
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	110,100.00
12. Multiply the smaller of line 5 or 11 by 10.40%	8,678.92
13. Multiply line 5 by 2.90%	2,420.08
14. Self-employment tax (sum of lines 12 and 13)	11,099.00

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	110,100.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 10.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Name of Taxpayer: BRANDON TANKERSLEY

10/02/2017

Identification Number: 259-51-7291

Total

18.20.00

**2015 - Child Tax Credit and Schedule 8812 Child Tax Credit**

1. Amount of credit based on qualifying children	1,000.00
2. Modified AGI	98,755.00
3. Limitation based on filing status (\$110,000 if married filing jointly; \$75,000 if single, head of household, or qualifying widow(er); \$55,000 if married filing separate)	75,000.00
4. Subtract line 3 from line 2 (if zero or less, enter -0-)	24,000.00
5. Multiply line 4 by .05	1,200.00
6. Subtract line 5 from line 1 (if zero or less, no credit is allowed)	0.00
7. Corrected tax before allowable credits	0.00
8. Credit limitation	0.00
9. Subtract line 8 from line 7	0.00
10. Child tax credit (smaller of lines 6 or 9)	0.00

**Schedule 8812 - Child Tax Credit**

1. Amount from line 1 above (or amount of credit after modified AGI reduction)	0.00
2. Child tax credit allowed (line 10 above)	0.00
3. Subtract line 2 from line 1 (if zero or less, no credit is allowed)	0.00
4a. Earned income	
4b. Nontaxable combat pay included on line 4a	
5. If the amount on line 4a is more than \$3,000, subtract \$3,000 from line 4a (if line 4a is less than \$3,000, then line 5 equals zero)	
6. Multiply the amount on line 5 by 15%	
7. Enter the total of the withheld social security, Medicare, and Additional Medicare taxes	
8. Deductible part of self-employment tax, plus FICA tax on tips and uncollected social security, Medicare, or RRTA taxes	
9. Total of line 7 and line 8	
10. Earned income credit and excess social security and RRTA taxes withheld	
11. Subtract line 10 from line 9 (if zero or less, enter -0-)	
12. Larger of line 6 or line 11	
13. Additional child tax credit (smaller of lines 3 or 12)	

**Accuracy-Related Penalties under IRC 6662**

**20 Percent Penalty -- Internal Revenue Code Section 6662(a)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	35,360.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	7,072.00
8. Less: Previously assessed/previously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	<u>7,072.00</u>

**40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)**

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	35,360.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	35,360.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	<u>0.00</u>

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
Total 18.20.00

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2015 - Schedule EIC - Computation of Earned Income Credit

1. Investment income (if amount is greater than \$3,400, no credit is allowed)	8.00
2. Wages, salaries, tips, etc.	0.00
3. Taxable scholarship or fellowship grant	0.00
4. Amount paid to an inmate in a penal institution	0.00
5. Pension or annuity from nonqualified plan or 457 plan	0.00
6. Amount of any nontaxable combat pay received	0.00
7. Line 2 plus line 6 less the sum of lines 3, 4, and 5	0.00
8. Net profit or loss from self-employment less deductible part of SE tax	98,735.00
9. Earned income (sum of lines 7 and 8)	98,735.00
10. Credit allowed using the amount on line 9	0.00
11. Adjusted gross income	98,755.00
12. Credit allowed using the amount on line 11 (if applicable)	0.00
13. Earned income credit (smaller of lines 10 and 12, if applicable or zero if line 1 is greater than the yearly investment income limitation amount)	0.00

Name of Taxpayer: BRANDON TANKERSLEY  
Identification Number: 259-51-7291

10/02/2017  
18.20.00

Total

2015 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
BRANDON TANKERSLEY

259-51-7291

1. Self-employment income	106,241.00
2. Multiply line 1 by 92.35%	98,113.56
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	98,113.56
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	118,500.00
12. Multiply the smaller of line 5 or 11 by 12.40%	12,166.08
13. Multiply line 5 by 2.90%	2,845.29
14. Self-employment tax (sum of lines 12 and 13)	15,011.37

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	118,500.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015

**Taxable Interest**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$0.00	\$11.00	\$11.00
2015	\$0.00	\$12.00	\$12.00

You received a Form 1099INT interest from US Bank Home Mortgage in the amounts shown above. Accordingly, taxable income is increased as shown.

**Sch C1 - Expenses for Business Use of Home**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$620.00	\$0.00	\$620.00
2015	\$750.00	\$0.00	\$750.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Oth Expenses - Amortization**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,667.00	\$0.00	\$1,667.00
2015	\$1,667.00	\$0.00	\$1,667.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Advertising**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$19,099.00	\$5,320.00	\$13,779.00
2015	\$58,351.00	\$0.00	\$58,351.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015

**Sch C1 - Oth Expense - Labor**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$45,416.00	\$267.00	\$45,149.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Utilities**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,070.00	\$0.00	\$3,070.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Statutory-SE AGI Adjustment**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$1,842.00	\$6,383.00	(\$4,541.00)
2015	\$1,490.00	\$7,506.00	(\$6,016.00)

Your self-employment tax for the 2012 tax year has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted based on the recomputed amount of tax as follows: If the recomputed self-employment tax is \$14,643.30 or less, the deduction is 57.51% of the recomputed self-employment tax. If the recomputed self-employment tax is more than \$14,643.30, the deduction is 50% of the recomputed self-employment tax plus \$1,100.00.

Your self-employment tax has changed as a result of adjustments made to your net earnings from self-employment as shown in this report. The self-employment tax deduction has been adjusted to one-half of the recomputed amount.

**Statutory-Self Employment Tax**

Tax Period	Per Return	Per Exam	Adjustment
2012	\$3,203.00	\$11,099.00	\$7,896.00
2015	\$2,980.00	\$15,011.00	\$12,031.00

We have adjusted your self-employment tax due to a change in your net earnings from self-employment.

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>		Schedule number or exhibit
Name of Taxpayer BRANDON TANKERSLEY	Taxpayer Identification Number 259-51-7291	Year/Period Ended 2012 2015	

**Sch E1 - Royalties Received**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$0.00	\$8.00	\$8.00

You received a Form 1099MISC royalties from Coldwell and Gregory LLC in the amount shown above. Accordingly, taxable income is increased as shown.

**Sch C1 - Insurance (Other Than Health)**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$17,496.00	\$0.00	\$17,496.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Sch C1 - Contract labor**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$6,890.00	\$0.00	\$6,890.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.

**Self-Employed Health Insurance**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$8,334.00	\$0.00	\$8,334.00

This deduction has been reduced or eliminated because it has not been adequately substantiated (as to amount or deductibility). Accordingly, taxable income is increased as shown above.



Form **886-A**  
(Rev. January  
1994)886-A

**EXPLANATION OF ITEMS**

Schedule number or exhibit

Name of Taxpayer

Taxpayer Identification Number

Year/Period Ended

BRANDON TANKERSLEY

259-51-7291

2012 2015

**FTHBC Recapture**

Tax Period	Per Return	Per Exam	Adjustment
2015	\$500.00	\$5,000.00	\$4,500.00

You are subject to the First Time home Buyers Credit (FTHBC) recapture since your purchased home in 2008 was sold in 2015. Accordingly, tax is increased as shown.

**Statutory-Earned Income Credit**

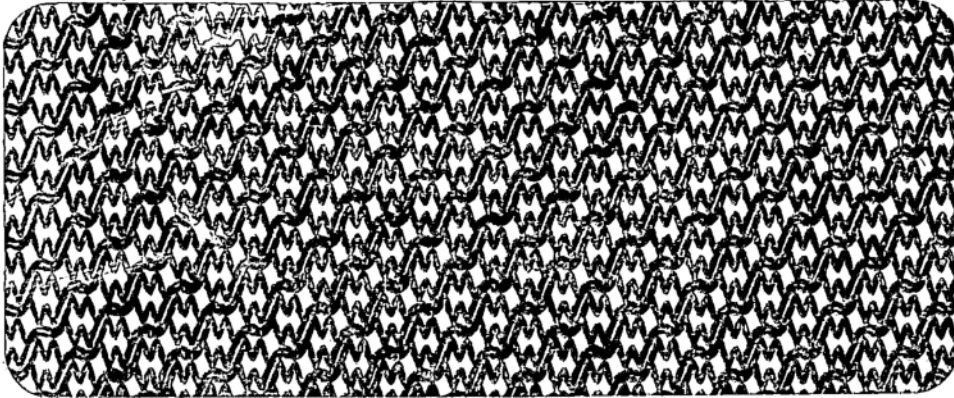
Tax Period	Per Return	Per Exam	Adjustment
2015	\$3,125.00	\$0.00	(\$3,125.00)

Because we changed your adjusted gross income and/or your earnings and those changes affected your modified adjusted gross income or earned income, we have also adjusted your earned income credit.

Internal Revenue Service  
MDP 12  
Room 436  
801 Broadway  
Nashville, TN 37203-3816

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Penalty for Private Use, \$300

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Group 25 - Nashville, TN 37203



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**IRS Nashville**  
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