

Report Suspected Abusive Tax Promotions or Preparers

Use Form 14242 to report a suspected abusive tax avoidance scheme and/or tax return preparers who promote such schemes. More information about tax avoidance schemes and promoters is available at www.irs.gov/LDC.

Answer the following questions as accurately as possible. Fields on this form have been designed to expand as additional information is entered.

Mail the completed form to:

Internal Revenue Service
Lead Development Center
Stop MS5040
24000 Avila Road
Laguna Niguel, CA 92677

You may also **FAX** your form to (949) 389-5083.

1. a. Describe the suspected tax scheme being promoted

b. Was the tax scheme promoted as a "new" legal tax strategy Yes No

2. How did you become aware of the promotion or promoter (*Internet, email, TV, flyer, newspaper, magazine, friend, relative, etc.*).

3. When did you first learn about the tax promotion (*mm/dd/yyyy*)

4. Promoter Information (*If more than one promoter is involved, provide information on all promoters*)

Name of promoter(s)

Social Security Number (SSN) of promoter(s)

Mailing address of promoter(s)

Email address of promoter(s)

Telephone number of promoter(s)

Headquarter location of promoter(s)

5. Describe the function/role of each person involved in the promotion

6. Do you have copies of any promotional material supplied by the promoter

Yes No If **YES**, attach copies of the promotional material to your completed form

7. a. What was the cost for the promotional material

b. Did the cost include

A monthly service fee Yes No Unknown

An audit protection fee Yes No Unknown

8. How did you obtain the promotional information (*Internet, mail, email, telephone solicitation, professional acquaintance, etc.*).

9. a. Did the promoter hold any seminars or meetings to promote the tax scheme Yes No Unknown

b. If you answered **YES** in 9a, what was the cost associated with attending the seminar or meeting

c. Where was the seminar or meeting held

d. When was the seminar or meeting held (*mm/dd/yyyy*)

e. Did you personally attend any seminar or meeting associated with the promotion or promoter Yes No

10. How is the promoter involved in the promotion (*Describe promoters involvement*)

11. Who is the target group of the promotion (*Describe industry or type of taxpayer, i.e. nurse, policeman, home business, etc.*)

12. a. Are you aware of any similar promotions in your area Yes No

b. If **YES**, describe the other promotions and any similarities they have to this promotion

13. Is the promotion still being advertised Yes No

14. Describe the tax benefits of the promotion (*Provide any information used to explain the tax benefits of the promotion*)

15. Describe the geographic scope of the promotion. For example, is it restricted to a small area, nationwide, or worldwide

16. Do you know of any tax preparers completing returns for investors or promoters based upon this promotion

Yes No

If **YES**, provide the following information (*if available*) (*If more than one preparer is involved, provide information on all preparers*)

Name of preparer(s)

Mailing address of preparer(s)

Telephone number of preparer(s)

Social Security Number (SSN) of preparer(s)

17. Did you have any private/personal conversations with the promoter/accountant/return preparer/associate

Yes No

If **YES**, provide the following information (*if available*)

With whom did you have a conversation

What did they say during the conversation

Where did this conversation take place

When did this conversation take place (*mm/dd/yyyy*)

When this conversation took place, if anyone else was present, list their names

18. a. What is your current relationship with the promoter(s)

b. Did you have personal/telephone contact with any of the promoters Yes No

19. Do you know any individuals/businesses that have purchased or used the promotion Yes No

If **YES**, provide their names

20. a. Did you purchase and use the "promotion package" Yes No

b. **If yes**, have you amended your tax returns Yes No

Contact information (Providing your contact information is optional, but will be helpful if we have questions, and will allow us to acknowledge receipt of the referral.)

Name	Enter the date you completed this form
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Mailing address

Telephone number	Email address
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Privacy Act and Paperwork Reduction Act Notice

This information is solicited under authority of 5 U.S.C. 301, 26 U.S.C. 7801 and 26 U.S.C. 7803. The primary purpose of this form is to report violation of the Internal Revenue laws.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal non-tax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

Providing this information is voluntary. Not providing all or part of the information will not affect you. Providing false or fraudulent information may subject you to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Preparing and sending the form to the IRS should involve 10 minutes.** If you have comments concerning the accuracy of the time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the IRS at the address listed in the Instructions.
