CERTIFIED MAIL # 7016 2070 0000 2480 6971

Department of the Treasury
Internal Revenue Service
Andover, MA 01810-9052

Notice	CP15
Tax Year	2015
Notice date	December 12, 2016
Social Security number	
To contact us	1-800-829-0922
Your Caller ID	586538
Page 1 of 2	18H

014393.565255.169945.30755 1 AT 0.399 538

ELIAS AGREDO-NARVAEZ
1080B E VETERANS HWY
JACKSON NJ 08527-2934

014393

the reason code 666 is valid for forms Required to be filed by specific statute. please recite the code section imposing the alleged form for which the 666 reason code is been used to try to extort money

Notice of Penalty Charge under color of law

reason code
666

You have been charged a penalty under Section 6702(a) of the Internal Revenue Code for Civil Penalty for Frivolous Tax Returns.

TAX STATEMENT

Prior Balance	$20,138.51
Penalty Assessment	$5,000.00
Interest Charged	$61.72
Bad Check Penalty	$0.00
Balance Due	**$25,200.23**

Continued on back...

ELIAS AGREDO-NARVAEZ
1080B E VETERANS HWY
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Payment

- Make your check or money order payable to the United States Treasury.
- Write your Social Security number , the tax year (2015), and the form number (CVL PEN) on your payment and any correspondence.

Amount due by December 22, 2016 | **$25,200.23**

this letter and all attachments must be filed as permanent part of my IRS/TDA/AIMS/IMF 23C Record. If such record has been deleted or substituted, this demand still Applies

INTERNAL REVENUE SERVICE
FRESNO, CA 93888-0010

QP AGRE 55 0 201512 670 00002520023

We charged you a penalty under IRC section 6702(a) for filing a frivolous tax return. The penalty applies when a person files what purports to be a return but—

A. Please. explain how or what information did I failed to include with my return

1. fails to include information on which the substantial correctness of the self-assessment may be judged or
2. includes information that on its face indicates that the self-assessment is substantially incorrect and. Please directme as to how to correct any information tha may be incorrect. I promise you I will correct it.

B.

1. the penalty applies when the underlying conduct in relation to filing such return is based on a position that the Internal Revenue Service has identified as frivolous (see Notice 2007-30) or
2. the underlying conduct reflects a desire to delay or impede the administration of Federal tax laws. how can you determine a conduct reflecting anything by filing an Educated return?

The penalty is $5,000 for each person who files a frivolous tax return.

Of course, the alleged Return must have been IMPOSED BY ENACTED LAW or Doesn't

If you wish to contest the assertion of this penalty, you must fully pay the entire penalty and file a claim for refund with the IRS within three years from the time a return associated with the penalty was filed or two years from the date the penalty was paid, whichever period expires later.

If your refund claim is pending for six months or more and the IRS has not issued a notice of claim disallowance with regard to the claim, you may file suit in the United States District Court or United States Court of Federal Claims to contest the assertion of the penalty at any time. Once the IRS issues a notice of claim disallowance, however, you must file suit in the United States District Court or The United States Court of Federal Claims within two years of the date the IRS mails a notice of disallowance to you denying the refund claim.

For tax forms, instructions and information visit www.irs.gov. Access to this site will not provide you with any taxpayer account information.

IS IT, NOT, the Secretary of the Treasury who has the authority to publish the List of alleged "FRIVOLOUS" returns positions?! then why is the IRS pretending to be the secretary of the Treasury and show its "FAKE" list as been the original? IT reads: the secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being FRIVOLOUS for purposes of this section.

IRS

the IRS IS NOT THE SECRETARY IS IT?

ELIAS AGREDO-NARVAEZ
1080B E VETERANS HWY
JACKSON NJ 08527-2934

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Contact information

If your address has changed, please call 1-800-829-0922 or visit www.irs.gov.

☐ Please check here if you've included any correspondence. Write your Social Security number the tax year (2015), and the form number (CVL PEN) on any correspondence.

Primary phone	Best time to call	Secondary phone	Best time to call
	☐ a.m. ☐ p.m.		☐ a.m. ☐ p.m.

INTERNAL REVENUE SERVICE
ANDOVER, MA 01810-9052

QP AGRE 55 0 201512

414.21 (1-18-80) 9781
Statutory Provisions

It is a criminal offense to fail, after due notice [26 USC 7512], to collect and deposit, in a special trust account for the United States, employment, withholding, and certain excise taxes [Employment Taxes imposed by Subtitle C and Miscellaneous Excise Taxes imposed by Chapter 33 which pertain to Communications and Transportation of persons by air—See text 453.2.] and to keep the funds in the account until payment over to the United States. The statutory provisions covering this violation are set forth in full in text 221.(12).

414.22 (1-18-80) 9781
Elements of Offense

(1) The elements of a criminal violation under this Code section are:

(a) One or more of the following:

1 A duty to collect employment taxes or certain miscellaneous excise taxes.

2 A duty to account for and pay over employment taxes or certain miscellanous excise taxes.

(b) One or more of the following:

1 Failure to collect employment taxes or certain miscellaneous excise taxes.

2 Failure to truthfully account for and pay over employment taxes or certain miscellaneous excise taxes.

(c) Notice, delivered in hand, instructing the taxpayer to collect and deposit employment taxes or certain miscellaneous excise taxes in a separate bank account designated as a special fund in trust for the United States and to keep the taxes so collected in the account until payment over to the United States.

(d) One or more of the following with respect to taxes collectible after the receipt of notice:

1 Failure to collect employment taxes or certain excise taxes;

2 Failure to deposit employment taxes or certain excise taxes in a special trust account for the United States;

3 Failure to keep the collected taxes in a special trust account until payment over to the United States.

(e) One or more of the following:

1 Absence of information showing that the person had reasonable doubt as to whether the law required the collection of the tax, or that he/she had reasonable doubt that he/she was the one who was required by law to collect the tax.

2 Absence of information showing that the failure to collect, deposit and to keep the tax in a separate account was due to circumstances beyond the control of the taxpayer.

(2) Venue lies in the judicial district where the act should have been performed [*U.S. v. Commerford*] and a three-year period of limitations [26 USC 6531] is applicable to this offense, which is a misdemeanor. Further information concerning statute of limitations is contained in 419.

(3) In the case of a corporation, partnership or trust, notice delivered in hand to an officer, partner, or trustee is deemed to be notice delivered in hand to the corporation, partnership, or trust and to all officers, partners, trustees and employees thereof.

(4) A lack of funds immediately after the payment of wages (whether or not resulting from the payment of wages) is not considered a circumstance beyond a person's control. For example, if an employer received the required notice and had gross payroll requirements of $1,000 with respect to which he/she was required to withhold $100 of income tax and if he/she had on hand only $900 and paid out the entire amount in wages, withholding nothing, the fact that the net wages due equaled that amount would not relieve him/her of the penalty imposed by this Code section. [Senate Committee on Finance Report (No. 1182, 85th Congress) (Jan. 23, 1958) 3 U.S. Cong. News '58, Page 255.]

(5) Circumstances causing a lack of funds after the payment of wages (but not immediately after) which are considered beyond a taxpayer's control include: theft, embezzlement, or destruction of the business by fire, flood, or other casualty, occurring within the period before which the person was required to deposit the funds; or the failure of the bank in which the person deposited the funds prior to transferring them to the Government's trust account. A lack of funds due to the payment of creditors would not be considered such a circumstance. [*U.S. v. Plotkin*]

(6) Procedures to be used in Trust Fund Cases (IRC 7512 and 7215) are contained in IRM 9340.

415 (1-18-80) 9781
Willful Failure to File Returns, Supply Information, or Pay Tax (IRC 7203)

415.1 (1-18-80) 9781
Statutory Provisions

The willful failure to make any return (other than a declaration of estimated tax); or to pay any estimated tax or tax; or to keep records; or to supply information, at the time or times required by law or regulation, constitutes a criminal offense. Any one of the above violations is a separate offense. The statutory provisions covering these offenses are set forth in IRC 7203 and are quoted in full in 221.4.

415.2 (1-18-80) 9781
Elements of the Offenses

415.21 (1-18-80) 9781
Willful Failure to Make a Return

(1) This offense applies to the willful failure to make any type of required return, except declarations of estimated tax. The following elements of the offense must be established to sustain a conviction: the person was under a duty, as required by law or regulations, to make a return for the year or period involved; he/she failed to file a return for such year or period at the time required by law or regulation; and the failure to file such return was willful. [*U.S. v. McCormick*]

(a) *A duty to make a return*—The general requirements for making a return are set forth in IRC 6012 to 6046. Persons liable under IRC 7203 include those described in IRC 7343, quoted in 411.(8). In corporate cases the person responsible for filing corporate returns may be any of several officials and it will be a matter of fact to be developed by competent evidence as to which one has the duty. This evidence may be proof of signing past Federal returns or any state returns, or it may be in the corporate bylaws or minutes of directors' meetings. [*U.S. v. Fago*] A further discussion of this point is contained in 414.12:(3).

(b) *Failure to make a return when due.*

1 The Government must establish that a return was due within the time provided by law or regulations and that there was a failure to file such return within such time. The time within which a return must be filed has been held to be the date set out in the Code or under regulations prescribed by the Secretary plus that last date covered in any extension of time granted by the Secretary or the Secretary's delegate. [*U.S. v. Habig; Haskell v. U.S.*] The date when a return is due under the Code or regulations varies, depending upon the type of tax involved or the type of return required to be filed. Thus, individual income tax returns, self-employment tax returns, and partnership returns made on the basis of the calendar year shall be filed on or before the 15th day of April following the close of the calendar year; or, if made on a fiscal year basis, the return shall be filed on the 15th day of the 4th month following the close of the fiscal year. [26 USC 6072(a)] Corporate returns for calendar years are due on the 15th day of March; or, if on a fiscal year basis, returns are due on the 15th day of the 3d month following the close of the fiscal year. [26 USC 6072(b)] IRC 6075 relates to the time for filing estate and gift tax returns, and IRC 6071 and the regulations promulgated thereunder to the time for filing excise tax returns and other forms of returns required under the particular type of tax involved.

2 In addition to showing that a return was due, the Government must establish that the person did not file a required return on the due date. Usually this is accomplished by proving that the defendant did not file a return in the district of his/her legal residence or principal place of business [*Haskell v. U.S.*] or service center.

(c) *The failure to file a return was willful*—The Government must establish willfulness in the failure to file a return. However, as distinguished from willfulness in a tax evasion case, the Government need not prove a tax evasion motive. Willfulness connotes something "done with a bad purpose, or done without justifiable excuse, or done stubbornly or obstinately or perversely, or with bad motive." [*U.S. v. Cirillo*] As applied to this offense willful means voluntary, purposeful, deliberate, and intentional, as distinguished from accidental, inadvertent, or negligent; and the only bad purpose or bad motive which the Government must prove is the deliberate intention not to file returns, which such person knew ought to have been filed, so that the Government would not know the extent of his/her liability. [*Yarborough v. U.S.; U.S. v. DiSilvestro*] Although an additional tax due is not an essential element of the offense, willfulness is difficult to establish without proof of a substantial tax liability.

EXHIBIT A

directs that no information should be collected on peaceful demonstrations which involve the exercise of First Amendment rights without contacting the office of the Assistant Secretary (Enforcement and Operations). In such situations, the Chief, Criminal Investigation Division, with the concurrence of the District Director, and ARC, Criminal Investigation will notify the Director, Criminal Investigation Division, who will contact the Assistant Secretary (Enforcement and Operations).

(6) Any district information gathering projects must be authorized in accordance with Manual instructions. (See IRM 9391.9.)

(7) Guidelines and procedures regarding the use of informants are found at IRM 9373.

(8) Guidelines concerning the use of confidential expenditures are found at IRM 9372.

(9) Since some so-called tax protesters advocate the use of force in dealing with Service personnel, the special agent assigned the investigation should consider having all contacts with the taxpayer made at the district office or the post of duty nearest the taxpayer. If it is determined that this could jeopardize successful completion of the investigation, the special agent's group manager will be consulted prior to contact with the taxpayer. Also, special agents should recognize that many third-parties may also be illegal tax protest advocates. Extreme care and discretion should be exercised prior to making contacts that could fall into this category.

(10) Cases involving illegal tax protesters have been associated with the following violations:

(a) Title 26 U.S.C.

1 Section 7201—Attempt to Evade or Defeat Tax;

2 Section 7203—Willful Failure to File Return, Supply Information or Pay Tax;

3 Section 7202—Willful Failure to Collect or Pay over Tax;

4 Section 7205—Fraudulent Withholding Exemption Certificate or Failure to Supply Information;

5 Section 7206—Fraud and False Statements; and

6 Section 7212—Attempts to Interfere with Administration of Internal Revenue Laws.

(b) Title 18 U.S.C.

1 Section 2—Principals;

2 Section 287—False, Fictitious or Fraudulent Claims;

3 Section 371—Conspiracy to Commit Offense or to Defraud United States;

4 Section 1001—Statement or Entries Generally; and

5 Section 1503—Influencing or Injuring Officer, Juror or Witness Generally.

450 (1-18-80) 9781
Excise Taxes

451 (1-18-80) 9781
Definition and Purposes

(1) Definition.—An excise tax is a duty or impost levied upon the manufacture, sale, or consumption of commodities within the country, and upon certain occupations.

(2) Purposes.—A few excise taxes are merely regulatory and some are imposed for both regulatory and revenue purposes. Most excise taxes, however, are levied exclusively for the purpose of revenue.

452 (1-18-80) 9781
Excise and Income Taxes Distinguished

452.1 (1-18-80) 9781
Base

Income taxes are based on net income or net profits, and are graduated. Excise taxes are not graduated, and they can be based upon any of the following factors: selling price of merchandise or facilities; services sold or used; number, weight, or volume of units sold; and nature of occupation.

452.2 (1-18-80) 9781
Tax Period

Certain excise tax returns are required to be filed on either a fiscal-year or calendar-year basis. In general, excise tax returns are filed on a calendar quarter-year basis. Income tax returns are required to be filed on either a fiscal-year or calendar-year basis.

452.3 (1-18-80) 9781
Additional Taxes and Penalties

Assessments of additional or delinquent excise taxes are referred to as "additional taxes." In income tax cases, such assessments are known as "deficiencies." There are many types of civil penalties specifically applicable to excise tax cases. Civil penalties in income tax cases are limited to three types: delinquency, negligence, and fraud.

this is what you were intending
to extort me under

EXHIBIT B

why you changed your allegede. penalties and addition to taxes correct?

452.4 (1-18-80) 9781
Court Appeals

Income tax cases may be appealed to the Tax Court of the United States without prepayment of the taxes, but excise tax cases cannot be appealed to the Tax Court. All court appeals by excise tax litigants must be made to either the U.S. Court of Claims or to the U.S. District Court, and then only upon prepayment of the taxes.

453 (1-18-80) 9781
Excise Tax Reduction Bill of 1965

453.1 (1-18-80) 9781
Statutory Provisions

The Excise Tax Reduction Bill of 1965 (P.L. 89-44) and the Comprehensive Drug Abuse Prevention and Control Act of 1970 (P.L. 91-513) lowered or removed most of the Federal excise taxes.

453.2 (1-18-80) 9781
Excise Taxes Remaining in Effect

(1) The following remaining excise taxes are of interest to the Criminal Investigation Division.

(a) Retailers' excise taxes: diesel fuel and special motor fuels.

(b) Manufacturers' excise taxes: truck parts and accessories, trucks, trailers, tires and inner tubes, gasoline and lubricating oil (used in motor vehicles).

(c) Miscellaneous excise taxes: air transportation of persons, foreign insurance policies, wagering-occupational and gross wagers, coin-operated gaming devices, (expires June 30, 1980), highway vehicle usage, and local and long-distance telephone service.

(2) Excise tax regulations under IRC 4481 expired October 1, 1972 and new regulations were not effective until March 2, 1976. Consult District Counsel prior to conducting investigations of possible violations relating to interim periods.

453.3 (1-18-80) 9781
Occupations Subject to Tax

Various occupations are subject to special (occupational) taxes. Many of these taxes are regulatory in nature. Those of chief interest to the Criminal Investigation Division relate to persons engaged in wagering (see 460) and those who maintain coin-operated gaming devices on their premises. The tax on coin-operated gaming devices will no longer be in effect after June 30, 1980.

454 (9-8-80) 9781
(Reserved)

455 (1-18-80) 9781
Civil Penalties and Jeopardy Assessments

455.1 (1-18-80) 9781
Civil Penalties

455.11 (1-18-80) 9781
Delinquency Penalty (IRC 6651(a))

And this
is the reason

An ad valorem delinquency penalty of 5 percent a month may be asserted when an excise tax return is filed delinquently without reasonable cause, or when a taxpayer fails to file a return without fraudulent intent. The penalty, limited to 25 percent, is imposed on the net amount due. It is not imposed, however, if the 50 percent civil fraud penalty is assessed under IRC 6653(b). (See 280.)

455.12 (1-18-80) 9781
Fraud Penalty Applicable to Returns (IRC 6653(b))

A 50 percent civil fraud penalty may be imposed under IRC 6653(b) on the underpaid excise tax on "non-collected taxes," such as, manufacturers' or retailers' taxes. The test for the application of the fraud penalty in an excise tax case is the same as it is for any other type of fraud penalty case: the Government must prove that a willful fraudulent act was committed. With respect to excise taxes, the 50 percent civil fraud penalty applies to "noncollected taxes" only. "Collected taxes" levied on the purchaser or user, such as transportation and withholding taxes are subject to the 100 percent penalty, under IRC 6672.

455.13 (1-18-80) 9781
Fraud Penalty Applicable to Documentary Stamps (IRC 6653(e))

A 50 percent civil fraud penalty may be asserted under IRC 6653(e) against anyone who willfully fails to pay or attempts to evade or defeat any tax imposed by means of a stamp, coupon, ticket, book, or other device.

"To protect the revenue from those who do not 'render true accounts,' the Government must be free to use all legal evidence available to it in determining whether the story told by the taxpayer's books accurately reflect his financial history."

424.3 (1-18-80) 9781
When and How Net Worth Method Used

(1) The net worth method is most often used when one or more of the following conditions prevail:

(a) Taxpayer maintains no books and records.

(b) Taxpayer's books and records are not available.

(c) Taxpayer's books and records are inadequate.

(d) Taxpayer withholds books and records.

(2) The fact that the taxpayer's books and records accurately reflect the figures on his return does not prevent the use of the net worth theory of proof. The Government can look beyond the "self serving declarations" in the taxpayer's books and records and use any evidence available to contravene their accuracy. [*Holland v. U.S.*]

(3) In addition to being used as a primary method of proving taxable income in civil and criminal income tax cases, the net worth method can be used:

(a) To corroborate other methods of proving income.

(b) To test-check accuracy of reported taxable income.

424.4 (1-18-80) 9781
Establishing the Starting Point

(1) In the Holland case the Supreme Court said that an essential condition in a net worth determination of income is the establishment, "with reasonable certainty," of an opening net worth, to serve as a starting point from which to calculate future increases in the taxpayer's net worth. The wisdom of this statement is apparent since an inaccurate beginning net worth will affect the accuracy of the determination of income subsequent to the base point. For instance, if a taxpayer's beginning net worth is understated, taxable income for the period under consideration will be overstated.

(2) Proof of visible assets and liabilities comprising beginning net worth is usually easily established by such means as bank records; county real estate records; brokerage records; Bureau of Public Debt records; Federal and state income, inheritance, and gift tax returns and records; and books and records of the taxpayer. To establish a firm starting point, it is necessary to show that the defendant had no large sum of cash for which credit was not given. This is usually done by offering evidence which negates the existence of a cash hoard, for example:

(a) Written or oral admissions of the taxpayer to the investigating officers concerning net worth. [*U.S. v. Calderon*] Examples are: signed net worth statement, oral statement as to cash on hand.

(b) Failure by defendant to file returns for years prior to indictment period. [*Smith v. U.S.*]

(c) Returns filed by the taxpayer for years prior to prosecution years reflecting income reported that is inconsistent with existence of a cash hoard. [*Smith v. U.S.*] This would also apply to copies retained by the taxpayer. The taxpayer's filing record and copies of available income tax returns should be furnished for at least five (5) preceding and all years subsequent to the starting point to furnish additional support to the starting point. (See IRM 9327.1(4)) and text 424.4:(2)(h)

(d) Low earnings for years prior to prosecution years as shown by records of the Social Security Administration and former employers.

(e) Net worth as established by books and records of the taxpayer. [*U.S. v. Chapman*]

(f) Certificate of Assessments and Payments showing tax assessed for years prior to the prosecution period. [*Vloutis v. U.S.*] With this information and tables showing tax rates and the amount allowed for exemptions and dependents, it may be possible to calculate income reported by a taxpayer for the years in question. The certificate will not show amount of withholding, capital gains or nontaxable income.

(g) Financial statement presented for credit or other purposes at a time prior to or during prosecution period. [*Friedberg v. U.S.*] Banks, loan companies, bonding companies, and the Internal Revenue Service (offers in compromise) are some of the better sources from which to obtain this type of document.

(h) Bankruptcy prior to prosecution periods. [*U.S. v. Vassallo*] Special Agents may use the public record of a bankruptcy as a starting point for net worth purposes. However, Section 7(a)(10) of the Bankruptcy Act 11, USCA 525(a)(10) as amended by title 11 of the Organized Crime Control Act of 1970, P.L. 91-452, provides that no testimony or evidence which is directly or indirectly derived from testimony given by a bankrupt during bankruptcy proceedings may be offered in evidence against him in any criminal proceedings.

(i) Prior indebtedness, compromise of overdue debts, avoidance of bankruptcy. [*Holland v. U.S.*]

(j) Installment buying. [*Barcott v. U.S.*]

(k) History of prior low earnings and expenditures, and checks returned for insufficient funds. [*McFee v. U.S.*]

(l) Loss of furniture and business because of financial reasons. [*Holland v. U.S.*]

424.5 (1-18-80) 9781
Taxable Source of Income

Please explain what is the taxable
Source of income that you claim
I ever had any income from.

(1) In order for income to be taxable, it must come from a taxable source. [*Commissioner v. Glenshaw Glass Co.*] In the Holland case, the Supreme Court said: "Increase in net worth, standing alone, can not be assumed to be attributable to currently taxable income. But proof of a likely source, from which the jury could reasonably find that the net worth increases sprang, is sufficient. . . ."

(2) On the basis of the Holland decision, it appeared to many that proof of a likely source was necessary in every net worth case. This was clarified by U.S. v. Massei in which the Supreme Court said: "In Holland we held that proof of a likely source was 'sufficient' to convict in a net worth case where the Government did not negative all the possible non-taxable sources of the alleged net worth increases. This was not intended to imply that proof of a likely source was necessary in every case. On the contrary, should all possible sources of nontaxable income be negatived, there would be no necessity for proof of a likely source."

(3) In view of the two decisions cited above, it appears that the Government must either prove a likely source of taxable income, or negate all nontaxable sources of income. In cases where the Government resorts to the latter type of proof, it is even more important than otherwise to establish a firm starting point, particularly with reference to cash on hand.

EXHIBIT C