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Sometimes the Truth is Stranger than Fiction – Update.

Not quite a year ago, I wrote a blog post entitled Sometimes the Truth is Stranger than Fiction. There has been a recent development in the relevant case that I think is worthy of a short update.

A very brief summary of what the relevant case involved is as follows. Two former Sprint executives (Mr. LeMay and Mr. Esrey) participated in several tax shelters that had been promoted by Ernst & Young ("EY") in the early 2000s. As a result of its promotion of these tax shelters, EY ended up settling with both the IRS and U.S. Attorney for the Southern District of New York for not quite $140 million. It appears that EY also paid an undisclosed sum to the two former Sprint executives. However, in LeMay and Esrey's collective opinion, they were not made whole in their failed attempt to defraud the IRS (and thus, the honest, tax-paying U.S. population). Accordingly, LeMay and Esrey sued the IRS for an astounding $159 million.

Continue reading.

The Public Finance Tax Blog

By Cynthia Mog on May 5, 2017

Squire Patton Boggs

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