



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

This Product Contains Sensitive Taxpayer Data

# Account Transcript

Request Date: 09-04-2014  
Response Date: 09-04-2014  
Tracking Number: 100211667475

FORM NUMBER: 1040  
TAX PERIOD: Dec. 31, 2002

TAXPAYER IDENTIFICATION NUMBER: -8779  
SPOUSE TAXPAYER IDENTIFICATION NUMBER: -7927

JOHN E & FRANCES L ROGERS  
162 ABINGDON AVE  
KENILWORTH, IL 60043-1202-624

--- ANY MINUS SIGN SHOWN BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE: 579,996.40  
ACCRUED INTEREST: 61,276.42 AS OF: Sep. 15, 2014  
ACCRUED PENALTY: 85,121.25 AS OF: Sep. 15, 2014

ACCOUNT BALANCE PLUS ACCRUALS  
(this is not a payoff amount): 726,394.07

\*\* INFORMATION FROM THE RETURN OR AS ADJUSTED \*\*

EXEMPTIONS: 02  
FILING STATUS: Married Filing Joint  
ADJUSTED GROSS INCOME: 1,184,185.00  
TAXABLE INCOME: 1,123,281.00  
TAX PER RETURN: 5,061.00  
SE TAXABLE INCOME TAXPAYER: 33,080.00  
SE TAXABLE INCOME SPOUSE: 0.00  
TOTAL SELF EMPLOYMENT TAX: 5,061.00

RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER) Oct. 12, 2003  
PROCESSING DATE Nov. 10, 2003

## TRANSACTIONS

CODE	EXPLANATION OF TRANSACTION	CYCLE	DATE	AMOUNT
150	Tax return filed	20034408	11-10-2003	\$5,061.00
n/a	09221-284-21335-3			
806	W-2 or 1099 withholding		04-15-2003	-\$9,202.00
460	Extension of time to file ext. Date 08-15-2003		04-15-2003	\$0.00
460	Extension of time to file ext. Date 10-15-2003		04-15-2003	\$0.00
846	Refund issued		11-10-2003	\$4,141.00
922	Review of unreported income		10-03-2004	\$0.00
420	Examination of tax return		09-29-2005	\$0.00
240	Miscellaneous penalty IRC 6662(c), (d), (e), (f), (g), or (h) Accuracy-Related Penalty	20112508	05-25-2011	\$35,600.60
n/a	17251-145-13004-1			
300	Additional tax assessed by examination - quick assessment	20112508	05-25-2011	\$356,006.00
n/a	17251-145-13004-1			
190	Interest charged for late payment	20112508	05-25-2011	\$203,860.80
300	Additional tax assessed by examination	20112908	08-01-2011	\$0.00
n/a	19247-595-18001-1			
706	Credit transferred in from 1040 200712		12-24-2008	-\$600.00
706	Credit transferred in from 1040 201012		04-15-2011	-\$14,921.00
971	Tax period blocked from automated levy program		12-12-2011	\$0.00
971	Account match for federal levy payment program		01-09-2012	\$0.00
971	Notice issued CP 0090		01-09-2012	\$0.00
971	Collection due process Notice of Intent to Levy -- issued		01-09-2012	\$0.00
971	Collection due process Notice of Intent to Levy -- issued		01-09-2012	\$0.00
971	Collection due process Notice of Intent to Levy -- return receipt signed		01-11-2012	\$0.00
971	Collection due process levy (hearing) request or levy and lien (hearing) request received		02-06-2012	\$0.00
971	Collection due process request received timely		02-06-2012	\$0.00
520	Bankruptcy or other legal action filed		02-06-2012	\$0.00
300	Additional tax assessed by examination	20121105	03-26-2012	\$0.00
n/a	19247-461-08021-2			
421	Closed examination of tax return		03-26-2012	\$0.00
582	Lien placed on assets due to balance owed		08-15-2014	\$0.00
360	Fees and other expenses for collection		09-08-2014	\$50.00
971	Issued notice of lien filing and right to Collection Due Process hearing		08-19-2014	\$0.00

This Product Contains Sensitive Taxpayer Data

Department of the Treasury  
Internal Revenue Service  
PO Box 630  
Holtsville NY 11742

Mall Stop:  
833-4  
Person to Contact:  
Kim Lobalsamo

PC 0013 EGC 5823  
Employee Identification Number:  
0178338012  
Telephone Number:  
831-447-4382  
Hours:  
5:00PM - 11:00PM  
Time Zone:  
EST  
Day(s) of the Week:  
Monday - Friday  
Taxpayer Identification Number:  
-3778  
Tax Year Ended:  
December 31, 2002

Date: May 27, 2011

John E & Frances L Rogers  
162 Abingdon Ave  
Kenilworth IL 60043-1202

Dear John E & Frances L Rogers:

Enclosed is Form 4549-A explaining how the adjustments made during our examination of the above return affect your individual income tax return. The Form 4549-A does not require any signatures and should not be returned to us, but should be kept for your records.

If you owe additional tax, you will receive a bill for the additional tax and interest. If penalties are applicable because of the adjustments made during our examination, a separate report will be mailed to you. If you are due a refund, it will be sent to you within 6 to 8 weeks.

If you have any questions about this matter, please write to the person whose name is shown at the top of this letter, or you may call that person at the telephone number shown.

If you prefer, you may call the IRS telephone number listed in your local directory. An employee there may be able to help you, but the office at the address shown on this letter is most familiar with your case.

If you write to us, please provide your telephone number and the most convenient time for us to call you in case we need more information. Attach this letter to any correspondence to help us identify your case. Keep the copy for your records.

Thank you for your cooperation.

Sincerely yours,

*Patricia J. DeMaio*

Patricia J DeMaio  
Exam Field Support Operation Manager

Enclosure:  
Form 4549-A  
Copy of this letter

Letter 2083 (SC) (Rev. 3-1986)  
Catalog Number 63342P

Department of the Treasury-Internal Revenue Service  
**Income Tax Discrepancy Adjustments**

Name and Address of Taxpayer  John E & Frances L Rogers 162 Abingdon Ave Kenilworth IL 60043-1202	Taxpayer Identification Number - 8779	Return Form No.: 1040
	Person with whom examination changes were discussed.	Name and Title:

	Period End 12/31/2002	Period End	Period End
<b>1. Adjustments to Income</b>			
a. Interest Income	(384.00)		
b. Ordinary income (loss)	1,210,074.00		
c. Itemized Deductions	41,649.00		
d. Exemptions	6,000.00		
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	<b>1,257,339.00</b>		
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	<b>(134,058.00)</b>		
<b>4. Corrected Taxable Income</b>	<b>1,123,281.00</b>		
Tax Method	SCHEDULE D		
Filing Status	Joint		
<b>5. Tax</b>	<b>356,006.00</b>		
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	<b>356,006.00</b>		
<b>8. Less</b>			
a. Credits			
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	<b>356,006.00</b>		
<b>10. Plus</b>			
a. Self Employment Tax	5,061.00		
b. Other Taxes			
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	<b>361,067.00</b>		
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	<b>5,061.00</b>		
<b>13. Adjustments to:</b>			
a.			
b.			
c.			
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax) (Line 11 less Line 12 adjusted by Lines 13a through 13c)</b>	<b>356,006.00</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>356,006.00</b>		

Name of Taxpayer  
John E & Frances L Rogers

Taxpayer Identification Number  
- 8779

Return Form No.:  
1040

17. Penalties/ Code Sections	Period End 12/31/2002	Period End	Period End
a. Accuracy-IRC 6662	35,600.60		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
<b>18. Total Penalties</b>	<b>35,600.60</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 18, Page 1)	356,006.00		
b. Penalties (Line 18) - computed to 05/25/2011	35,600.60		
c. Interest (IRC § 6601) - computed to 06/24/2011	0.00		
d. TMT Interest - computed to 06/24/2011 (on TMT underpayment)	0.00		
e. Amount due or refund - (sum of Lines a, b, c and d)	391,606.60		

**Other Information:**

IRC 6662 Accuracy Penalty Gross Valuation Misstatement at 10% applies.

If you require further information please contact your Tax Matters Partner.

Examiner's Signature: Name K. Lobalsamo	Employee ID: 0178338012	Office: Brookhaven	Date: 05/25/2011
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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	John E & Frances L Rogers	05/25/2011
Identification Number:	-8779	Total 12.00.00

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**2002 - Form 8251 - Alternative Minimum Tax Computation**

1. If filing Schedule A enter tax table income, otherwise adjusted gross income	1,123,281.00
2. Total adjustment and preferences	(15,318.00)
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	0.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	1,107,963.00
6. Exemption amount	0.00
7. Subtract line 6 from line 5 ( if 0 or less, enter 0)	1,107,963.00
8. If capital gains are reported, see line 22 from page 2	285,938.00
All others:	
If line 7 is \$175,000 or less (\$87,500 if MFS) multiply line 7 by 26%. Otherwise, multiply line 7 by 28% and subtract \$3,500 (\$1,750 if MFS) from result	
9. Alternative minimum tax foreign tax credit	0.00
10. Tentative minimum tax. Subtract line 9 from line 8	285,938.00
11. Regular tax before credits	356,006.00
12. Alternative minimum tax	0.00

**Exemption Worksheet (Line 6)**

A. Exemption amount based on filing status	49,000.00
B. Alternative minimum taxable income	1,107,963.00
C. Enter \$112,500 (\$150,000 if married filing jointly or qualifying widow(er), \$75,000 if married filing separate)	150,000.00
D. Subtract line C from Line B	957,963.00
E. Multiply line D by 25%	239,491.00
F. Subtract line E from line A (if zero or less, enter 0)	0.00

Name of Taxpayer: John E & Frances L Rogers  
Identification Number: -8779

05/25/2011  
12.00.00

Total

**2002 - Form 6251 - Continuation, using Maximum Capital Gain Rates,  
Computation of Line 10 when Schedule D is completed**

1. Amount from Form 6251 report, line 9	1,107,963.00
2. Amount from Schedule D line 18, or line 9 from worksheet (refigured for AMT)	259,891.00
3. Amount from Schedule D report, line 14 (refigured for AMT)	0.00
4. Amount from line 2 if no Schedule D worksheet otherwise, the smaller of the sum of 2 or 3 or Schedule D worksheet line 4.	259,891.00 259,891.00
5. Smaller of line 1 or line 4	848,072.00
6. Subtract line 5 from line 1	233,960.00
7. If line 6 is \$175,000 or less (\$87,500 if MFS) multiply line 6 by 26%. Otherwise, multiply line 6 by 28% and subtract \$3,500 (\$1,750 if MFS) from result	0.00
8. Amount from Schedule D report, line 23 (refigured for AMT)	259,891.00
9. Smallest of line 1 or line 2	0.00
10. Smallest of line 8 or line 9 (not less than zero)	0.00
11. Qualified 5-year gain from Schedule D report, line 24 (refigured for AMT)	0.00
12. Smaller of line 10 or line 11	0.00
13. Multiply line 12 by 8%	0.00
14. Subtract line 12 from line 10	0.00
15. Multiply line 14 by 10%	0.00
16. Subtract line 10 from line 9	259,891.00
17. Multiply line 16 by 20%	51,978.00
18. Subtract line 9 from line 5	0.00
19. Multiply line 18 by 25%	0.00
20. Total of lines 7, 13, 15, 17, and 19	285,938.00
21. If line 1 is \$175,000 or less (\$87,500 if MFS) multiply line 1 by 26%. Otherwise, multiply line 1 by 28% and subtract \$3,500 (\$1,750 if MFS) from result	306,730.00
22. Smaller of line 20 or 21, enter here and on line 10 of Form 6251 report	285,938.00

Name Of Taxpayer:	John E & Frances L Rogers		05/25/2011
Identification Number:	1-8779	Total	12.00.00

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2002 - PERSONAL EXEMPTION WORKSHEET

1. Multiply \$ 3,000.00 by the total number of exemptions claimed on Form 1040, line 6e	6,000.00
2. Adjusted Gross Income	1,184,185.00
3. Limitation based on Filing Status	206,000.00
4. Subtract line 3 from line 2	978,185.00
5. Divide line 4 by \$2,500 (\$1,250 if married filing separate)	0.00
6. Multiply line 5 by 2% and enter the result as a decimal	0.00
7. Multiply line 1 by line 6	0.00
8. Deduction for exemptions (Subtract line 7 from line 1)	0.00

Note: If Line 4 is more than \$122,500. or (\$61,250. if married filing separately), a deduction for exemptions cannot be taken.

Taxpayer: John F. & Frances L. Rogers  
 TIN: -8779

Page of  
 Tax Period(s): 200212

### 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 7 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).

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

1. Total Underpayment	356,006.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(h) penalty issues	0.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, 4, 5, and 6)	356,006.00
8. Applicable penalty rate	10.00%
9. Section 6662(a) accuracy-related penalty (Line 7 times line 8)	35,600.60
10. Less: Previously assessed/previously agreed Section 6662(a) accuracy-related penalty	0.00
11. Total section 6662(a) accuracy-related penalty (Line 9 less line 10)	35,600.60

#### 40 Percent Penalty – Internal Revenue Code Section 6662(h)

It has been determined that the underpayment of tax shown on line 7 below is attributable to a gross valuation misstatement (overstatement). Therefore, an addition to tax is imposed as provided by Section 6662(h) of the Internal Revenue Code.

1. Total Underpayment	356,006.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to Section 6662A penalty issues	0.00
4. Less: Underpayment attributable to Section 6662(a) penalty issues	356,006.00
5. Less: Underpayment attributable to civil fraud penalty issues	0.00
6. Less: Allocable prepayment credits	0.00
7. Underpayment to which Section 6662(h) applies (Line 1 less the sum of lines 2, 3, 4, 5, and 6)	0.00
8. Applicable penalty rate	40.00%
9. Section 6662(h) accuracy-related penalty (Line 7 times line 8)	0.00
10. Less: Previously assessed/previously agreed Section 6662(h) accuracy-related penalty	0.00
11. Total section 6662(h) accuracy-related penalty (Line 9 less line 10)	0.00

Name Of Taxpayer: John E & Frances L Rogers 05/25/2011  
Identification Number: -8779 Total 12.00.00

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**2002 - Adjustments Subject to Accuracy-Related Penalty - IRC 6662**

ADJUSTMENTS TO WHICH THE ACCURACY RELATED PENALTY APPLIES:  
PENALTY RATES  
10% 40%

Ordinary income (loss)	X	1,210,074.00	IRC 6662(e)
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Name Of Taxpayer: John F. & Frances L Rogers  
 Identification Number: -8779

Total

05/25/2011  
 12.00.00

2002 - SCHEDULE A - ITEMIZED DEDUCTIONS

	PER RETURN	PER EXAM	ADJUSTMENT
1. Medical, dental and insurance premiums	8,439.00	8,439.00	0.00
2. 7.50% of Adjusted Gross Income	0.00	88,814.00	
3. Net Medical and Dental Expense	8,439.00	0.00	8,439.00
4. Taxes	18,643.00	18,643.00	0.00
5. Home Interest Expense	28,594.00	28,594.00	0.00
6. Investment Interest	45,074.00	45,074.00	0.00
7. Other Interest Expense	0.00	0.00	0.00
8. Total Interest Expense	73,668.00	73,668.00	0.00
9. Contributions	0.00	0.00	0.00
10. Casualty and theft Losses	0.00	0.00	0.00
11. Miscellaneous deductions subject to AGI limit	1,803.00	1,803.00	0.00
12. 2.00% of Adjusted Gross Income	0.00	23,684.00	
13. Excess Miscellaneous deductions	1,803.00	0.00	1,803.00
14. Other Miscellaneous deductions	0.00	0.00	0.00
15. Total itemized deductions (Sum of Lines 3, 4, 8, 9, 10, 13, and 14 less any applicable limitation)	102,553.00	60,904.00	41,649.00

ITEMIZED DEDUCTIONS WORKSHEET - PER EXAM

A. Total of lines 3, 4, 8, 9, 10, 13, and 14	92,311.00
B. Total of lines 3, 6, 10, (plus any gambling losses included on line 14)	45,074.00
C. Line A less Line B	47,237.00
D. Multiply the amount on line C by 80%	37,790.00
E. Adjusted Gross Income from Form 1040	1,184,185.00
F. Itemized Deduction Limitation	137,300.00
G. Line E less Line F	1,046,885.00
H. Multiply the amount on Line G by 3%	31,407.00
I. Enter the smaller of Line D or Line H	31,407.00
J. Total Itemized Deductions (entered on line 15 above)	60,904.00

Name of Taxpayer:	John E & Frances L Rogers	05/25/2011
Identification Number:	-8779	Total 12.00.00

**2002 - SCHEDULE D - CAPITAL GAINS AND LOSSES**

1. Short-term capital gain or loss	3,609.00
2. Short-term capital loss carryover	0.00
3. Net Short-term Gain or Loss (Add line 1 and 2)	3,609.00
4. Long-term capital gain or loss	259,891.00
5. Long-term capital gain or loss carryover	0.00
6. Net long-term Gain or Loss (Add line 4 and 5)	259,891.00
7. Sum of lines 3 and 6 - Net Capital Gain or Loss	263,500.00
8. Capital loss limitation	0.00
9. Capital Gain or Loss - As Corrected	263,500.00
10. Capital Gain or Loss - Per Return	263,500.00
11. Line 9 less line 10 - Adjustment to Income	0.00

**CORRECTED CARRYOVER**

12. Short-term Carryover to Subsequent Year	0.00
13. Long-term Carryover to Subsequent Year	0.00

**COMPUTATION OF ALTERNATIVE TAX**

14. Unrecaptured 1250 gain	0.00
15. Taxable Income	1,123,281.00
16. Smaller of line 6 or line 7	259,891.00
17. Form 4952, line 4e	0.00
18. Subtract line 17 from line 16 (not less than 0)	259,891.00
19. Subtract line 18 from line 15 (not less than 0)	863,390.00
20. Tax on the amount on line 19	304,028.00
21. Smaller of line 15 or 46,700.00	46,700.00
22. Amount from line 19	863,390.00
23. Subtract line 22 from line 21 (not less than 0)	0.00
24. Qualified 5-year gain	0.00
25. Smaller of line 23 or line 24	0.00
26. Multiply line 25 by 8%	0.00
27. Subtract line 25 from line 23	0.00
28. Multiply line 27 by 10%	0.00
29. Smaller of line 15 or line 18	259,891.00
30. Amount from line 23	0.00
31. Subtract line 30 from line 29 (not less than 0)	259,891.00
32. Multiply line 31 by 20%	51,978.00
33. Alternative Tax, sum of lines 20, 26, 28, and 32	356,006.00

Form <b>886-A</b> (Rev. January 1994)886-A	<b>EXPLANATION OF ITEMS</b>	Schedule number or exhibit
Name of Taxpayer John E & Frances L Rogers	Taxpayer Identification Number -8779	Year/Period Ended 2002

**Interest Income**

Tax Period 2002	Per Return \$384.00	Per Exam \$0.00	Adjustment (\$384.00)
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We have adjusted your return in accordance with the examination results for Abingdon Trading, LLC. The examination results are based on the settlement agreement, Form 870-LT and the Schedule of Adjusted Items.

**Ordinary income (loss)**

Tax Period 2002	Per Return (\$495,285.00)	Per Exam \$714,789.00	Adjustment \$1,210,074.00
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We have adjusted your return in accordance with the examination results for Abingdon Trading, LLC/36-4480698. The examination results are based on the settlement agreement, Form 870-LT and the Schedule of Adjusted Items.

**Statutory-Itemized Deductions**

Tax Period 2002	Per Return \$102,553.00	Per Exam \$60,904.00	Adjustment \$41,649.00
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Only the amount of medical expenses that exceeds a certain percentage of your adjusted gross income is deductible. Since your adjusted gross income has been changed, we have adjusted your medical expense deduction as shown in the accompanying computation.

Certain expenses deducted as miscellaneous itemized deductions are only deductible to the extent that they exceed a percentage of your adjusted gross income. Since we have made other changes in this report which affect your adjusted gross income, we have also adjusted these expenses.