Two Infamous Tax Settlement Cases by Ralphs Wieben

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Many people wonder what tax settlement they might receive after failing to pay their back taxes. Some think they can avoid paying when they owe back taxes to the IRS, hoping the problem will go away on its own. The fact is that without a tax settlement their situation will escalate, sometimes into an unnecessary drawn out legal battle. Many prominent people have become deluded by fame or power into the belief that they were outside of the law. Even an American Vice President and the most fear Mob boss in history were forced into a tax settlement removed from power and defeated by tax evasion and corruption. The IRS does not discriminate or choose favorites. They expect to get paid by anybody and everybody.

While less well known the right-hand man of "Tricky Dick" Nixon was possibly even more tricky. In 1973, just after Nixon and Agnew were elected to their second term as president and vice president, Agnew became the subject of an investigation that alleged the vice president was not only a tax evader, but was also a money launderer.

On October 10, 1973, Spiro Agnew became the second Vice President to resign the office as a result of the charges and he sought a tax settlement in his case. He pleaded no contest to tax evasion, part of a negotiated tax settlement to a scheme wherein he was accused of accepting more than $100,000 in bribes during his tenure as governor of Maryland. Agnew was fined $10,000 and put on three years' probation. The $10,000 fine only covered the taxes and interest due on what was "unreported income" from 1967.

This tax settlement was later mocked as ridiculous and four students from George Washington University Law School, known as Banzhaiâ€™s Bandits, filed a case to force Agnew to pay the state $268,482â€”the amount it was said he had taken in bribes. After two appeals by Agnew, he finally resigned himself to the tax settlement and a check for $268,482 was turned over to Maryland State Treasurer in early 1983.

Agnew bitterly resented and denied the charges until his death and claimed he only accepted the tax settlement and resigned because Nixon and his chief of staff Alexander Haig told him they would have him assassinated if he didnâ€™t go.

In some cases the government will not be satisfied with only fines and disgrace as a tax settlement. They want the perpetrator locked up. Especially when the person openly mocks tax settlement, the IRS, and everything to do with civil society.

As head of the Chicago underworld during the 1920s, Al Capone enjoyed a lavish lifestyle and was responsible for some of the worst crimes of a violent era. Dubbed Public Enemy No.1, he became the focus of an intense investigation by the FBI. He could intimidate any witness and owned nothing in his own name, using front men, making it almost impossible to get the charges the government threw at him to stick. That is, until they looked into his finances.

During a routine raid of one of Capone's warehouses, Eliot Ness and his "Untouchables" stumbled across a desk drawer containing account information for the mobster. It would be just enough to seal his fate. Not only would they get a tax settlement, but also they would get to put him away.

The head of the illegal alcohol trade, the corrupter of local government and the man responsible for then St. Valentine's Day massacre wouldn't be taken down by murder charges. Paperwork and the IRS would do in the king of Chicago. Capone once allegedly said, "The income tax law is a lot of

bunk. The government can't collect legal taxes from illegal money." But this time, the government did collect. They got their tax settlement and then some.

After his trial in 1931, Capone was ordered to pay $80,000 dollars in fines and was sentenced to 11 years in prison. He would serve only six and a half of those years, but they took their toll. While locked up, numerous attempts on his life were made and the syphilis he contracted during his youth would rapidly progress, leaving him a shadow of his former self. Suffering from syphilitic dementia, he was released 1939 and after another stint in jail, would live out the remainder of his days with his family in Florida, trying to catch fish in his swimming pool.

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