

# The **Holiday** Newsletter

# Faucher Law

## Teas For All Seasons, And Reasons, In 2016

Yes, I'm still a tea-lover. It's tasty, healthful and soothing, particularly if the IRS has raised the bar on ham-handed maneuvers against a client. One shelf in my office is full of the stuff, especially little-known varieties that friends and family regularly sniff out for me. Here are this year's seasonal favorites.

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**Spring – Pu-Erh tea from China:** My half-brother has a half-brother whom I've never met, but am friends with on Facebook (yes, it's complicated, but I was born in West Virginia). He travels for business to China regularly and thus sends me many exotic teas. My favorite is Pu-Erh: it has a fermented earthiness that reminds me of a hearty and mature cabernet sauvignon wine. Pu-Erh comes in brick-sized blocks rather than bags or loose leaf, and requires a special knife for cutting. I like preparing it almost as much as drinking it; it's a strong tea that requires manly, physical exertion to prepare.

### JOHN FAUCHER'S **BEST OF YEAR LIST**

Book	<i>Love in the Ruins</i> , Walker Percy
Concert	<i>Paul Simon at the Santa Barbara Bowl</i>
Response	<i>That's just illogical.</i> – IRS appeals officer, after I explained why the auditor on a case denied a \$1 million fraud loss.
Media Moment	Radio interview on KZSB-AM 1290, on May 23, 2016
Restaurant	<i>Wild Ginger</i> , Cambria, California
TV Show	<i>House of Cards</i>
Sight	Dolphin pods in Santa Barbara Channel on the boat ride to Santa Cruz Island
Movie	<i>Moonlight</i>

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**Summer – Jasmine green tea:** During the heat of summer, I'm not so interested in working for my tea. Instead, I enjoy putting mild, low-caffeine jasmine green tea (widely served in Chinese restaurants) on ice, and relaxing in my backyard after a day of work by looking at the sky and daydreaming about changes to tax law.

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**Fall – Rooibos:** There's no caffeine in this tea, which is native to South Africa and also known as red bush or African Honey Bush tea. It has a mild, vanilla taste and smell that I find goes particularly well with fall foods such as turkey, yams and pumpkin pies. Thanksgiving reminds me of how grateful I am that the U.S. has bankruptcy laws which allow citizens to discharge debt if they have no assets and no way to pay, rather than throwing them into debtor's prison, as the Victorians did.

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**Winter – Lady Grey:** They probably served this tea at Downton Abbey in Victorian England. It's a heavier black tea with lots of caffeine (to help me stay awake in the late afternoon when it's already dark outside), and citrus notes that remind me of the holidays. Even though I'm no Lord, I enjoy this tea when reading (updates to the bankruptcy code, of course) near my fireplace on cold California winter nights. My definition of cold? When there's no need to turn on the air conditioner to enjoy a fire. Ho-ho-ho and happy holidays!

## THE FAQ FILE: **FAVORITE CASE OF THE YEAR?**

My client had been a very successful entrepreneur: his income was in the seven and eight digits for several years, and he had a company yacht, airplane, and bodyguard. But the 2008 economic downturn hit his industry hard. And embezzlement by a business partner finished off what the economy did not.

This man lost his company, house, and wife. When he first came to me, he was destitute and sleeping on his son's sofa. He had banks and the IRS hounding him. He had guaranteed \$100 million in loans to his corporations and the banks wanted repayment (with what?). And the IRS claimed one tax return from 2007 (his entities filed

45 tax returns a year) hadn't been filed; they estimated from 1099s that he owed \$12 million in personal income tax – tax that he would not be able to get rid of in a bankruptcy. I was able to show the IRS that the tax return had actually been filed. Then we needed to wait two years, as required by federal law for debtors to use a bankruptcy to get out of paying tax.

Once filed, his bankruptcy case proceeded smoothly, and he received a discharge of both the tax and loan debts. I enjoyed getting a great result after a long struggle for my client, who had no way to repay. Now he's found new work and is about to move out of his son's home.

## WELCOME TO FAUCHER LAW

### John D. Faucher

worked for 10 years as an IRS trial attorney. He and his team speak the legal language. They know the **tax and bankruptcy** systems and can help you get the best results. Have other legal issues? Call us.

We'll find the lawyer who's right for you, your friends or family.

**818-889-8080**

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## A Toast to Annual Newsletters



The tradition of sending out holiday newsletters may be getting trounced by tweets, email blasts and Facebook posts, but not at Faucher Law! **Back by popular demand is our end-of-the-year Newsletter.** In this issue I reflect on a topic for all seasons from my very first Newsletter: tea. I also share a few personal and professional highlights from 2016, including **my favorite case**, which involved a client who was flying high, lost almost everything, and then got a fresh financial start after we wrangled with the IRS.

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As of Jan. 1, 2017, we'll  
have a new address:  
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