

United States Court of Appeals
For the Eighth Circuit

No. 17-3804

Naren Chaganti

Appellant

Commissioner of Internal Revenue

Appellee

Appeal from The United States Tax Court

Submitted: October 29, 2018

Filed: December 14, 2018
[Unpublished]

Before LOKEN, BENTON, and SHEPHERD, Circuit Judges.

PER CURIAM.

Naren Chaganti appeals from a tax court decision upholding the Commissioner's determination finding him liable for income tax deficiencies and penalties related to his 2006 and 2007 taxes.

Following a careful review, see DKD Enter.v. C.I.R., 685 F.3d 730, 734 (8th Cir. 2012) (tax court's legal conclusions are reviewed de novo and its factual findings

for clear error; unless claimed deductions come clearly within scope of statute, they are not to be allowed); see also Parrish v. C.I.R., 168 F.3d 1098, 1102 (8th Cir. 1999) (tax court's finding that taxpayer is liable for accuracy-related penalties under 26 U.S.C. § 6662 is reviewed for clear error). Although we do not affirm the tax court's conclusion that the mere fact that petitioner was ordered to pay opposing counsel attorney's fees under [28 U.S.C.] § 1927, demonstrates that those amounts were not ordinary and necessary to the practice of law, for reasons explained by the tax court we conclude that the Commissioner's determination of income tax deficiencies and penalties was correct. Critically, the district judge's sanctions order details the facts in this case which show that the payments are not deductible under the Internal Revenue Code §§ 162(f) and 165(a). *See Katoch v. Mediq/PRN Life Support Services, Inc.*, 2007 WL 2434052 at *6-10 (E.D. Mo. 2007), aff'd, 330 Fed.Appx. 626 (8th Cir. 2009). Accordingly, we affirm. See 8th Cir. R. 47B.
