

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	No.
)	
BAKER FUNERAL HOME, LTD.)	
2008 North Broad Street)	
Philadelphia, PA 19121)	
)	
VINCE BAKER)	
7101 Wayne Ave.)	
Philadelphia, PA 19119)	
)	
Defendants.)	

DECLARATION OF REVENUE OFFICER MARVENA LEWIS

I, Marvena Lewis, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a duly commissioned Revenue Officer with a post of duty in Philadelphia, Pennsylvania.
2. I am an adult in excess of eighteen years of age and, except where noted, the facts stated herein are of my personal knowledge. If called upon to testify to said facts, I could do so competently.
3. In preparation for this declaration, I have examined relevant IRS documents and records relating to Baker Funeral Home, Ltd. ("Baker Funeral") and Vince Baker. Additionally, I am familiar with the record-keeping system of the Internal Revenue Service.
4. This declaration is being executed in support of the United States' Motion for

Preliminary Injunction filed in the above-captioned civil action.

5. My responsibilities as Revenue Officer include securing delinquent tax returns and collecting the unpaid federal taxes that have been assessed against taxpayers. I try to obtain voluntary compliance by the taxpayer when possible, but if the taxpayer does not voluntarily pay his or her assessed federal tax liabilities, I initiate enforced collection action, which includes filing notices of federal tax lien and serving IRS levies to seize taxpayers' property and rights to property in order to satisfy those tax liabilities.
6. In May 2007, I was assigned to investigate and collect the federal employment tax liabilities of Baker Funeral.

Baker Funeral's History of Noncompliance

7. Baker Funeral is a funeral home which has been doing business as a corporation in Philadelphia, Pennsylvania since 1975.
8. Vince Baker took over Baker Funeral upon his father's death in approximately 1997. Vince Baker owns and operates the business.
9. Since at least 1995, Baker Funeral has failed to timely file all federal employment tax returns (Form 941), and has failed to voluntarily pay its employment tax liabilities since that time.
10. When Vince Baker took over Baker Funeral, he did not: (a) bring it into compliance with the federal tax laws; (b) timely file its employment tax returns; or (c) pay the employment tax owed by the funeral home after 1997. Baker

Funeral's violations of the federal tax laws continue up to the present.

11. The only payments for Baker Funeral's employment tax liabilities have resulted from the Service's collection activities.
12. As of August 1, 2011, Baker Funeral owes \$813,657 in unpaid federal employment tax liabilities.
13. Baker Funeral's outstanding employment tax liabilities begin with the fourth quarter of 2002 and include nearly all periods up to the present. Its pre-2002 federal employment tax liabilities (and the quarterly periods since 2002 that have been paid in full) were satisfied by the enforced collection action undertaken against Baker Funeral and/or Vincc Baker. Baker Funeral's unpaid employment tax liabilities total \$667,937 as of August 1, 2011, plus accrued interest and statutory additions.
14. Additionally, Baker Funeral intentionally failed to file Internal Revenue Service Form W-2 Wage and Tax Statements regarding its employces for tax years 2005, 2006, and 2007. Thus, it also owes civil penalties which were assessed against it in accordance with 26 U.S.C. § 6721 in the amount of \$145,720 as of August 1, 2011, plus accrued interest and statutory additions.

The Service's Administrative Collection Efforts

15. In 1999, in order to encourage Baker Funeral's voluntary compliance and to administratively collect its delinquent taxes, the Service assigned a revenue officer to work with Baker Funeral.

16. Since 1999, the Service has devoted a significant amount of its limited resources and utilized all of the administrative collection tools at its disposal to reduce Baker Funeral's federal tax liabilities and to stop it from further violating the internal revenue laws.
17. IRS revenue officers, including myself, tried to elicit voluntary compliance from Baker Funeral by directly contacting Baker Funeral and Vince Baker and making repeated requests for delinquent tax returns and payments. Baker Funeral and Vince Baker have refused to timely file the required tax returns.
18. The Service was also unsuccessful in getting Baker Funeral and Vince Baker to voluntarily pay its delinquent federal employment tax liabilities.
19. The Service has issued hundreds of levies to seize Baker Funeral's accounts receivable, bank accounts, and other accounts. The Service received some payments in response to those levies, but the total amount collected by levy was too small to pay Baker Funeral's ever-increasing tax debts. Levying has proved ineffective because after a levy is served on Baker Funeral's bank account, it consistently switches banks to hide its assets from the Service or hinder its collection efforts. As a result, the Service must expend time and resources locating Baker Funeral's new banking institutions, making levying unsuccessful in reducing Baker Funeral's outstanding liabilities.
20. The Service has also investigated the collection potential of Baker Funeral's corporate assets. Its business assets are valued at \$30,000. I planned an

administrative seizure of Baker Funeral's business property. Before the seizure, I met with Vince Baker numerous times to attempt to bring Baker Funeral into compliance, without success. I obtained a writ of entry and coordinated with state officials to seize Baker Funeral's business assets on February 2, 2010. Internal Revenue Service employees, along with state law enforcement personnel, a coroner, and others, appeared on February 2, 2010 to seize the property. As we began the seizure, Vince Baker appeared with a check, thereby halting the seizure of the business property. Conducting another seizure would be useless, as an administrative seizure drains government resources and would not significantly reduce Baker Funeral's liabilities.

21. Because the Service was unable to collect its tax liabilities from Baker Funeral, the Service assessed Vince Baker with the trust fund recovery penalties for Baker Funeral's unpaid employment taxes. The first trust fund recovery penalty assessment against Vince Baker was made in 2004; the Service has made several trust fund recovery penalty assessments against him since then.
22. After assessing trust fund recovery penalties against Vince Baker, the Service issued levies to his known bank accounts. In addition, I seized the real property owned by Vince Baker on two occasions.
23. Vince Baker owns the real property at the business location. The Service first seized the real property on November 16, 2009, and scheduled a public auction. Forty-five minutes before the public auction, Vince Baker appeared to pay in full

the outstanding trust fund recovery penalties assessed against him.

24. After the first seizure of the real property, Baker Funeral and Vince Baker continued their pattern of noncompliance, and the Service made another trust fund recovery penalty assessment against Vince Baker. The Service then seized the real property for a second time on March 17, 2011. After the seizure, Vince Baker exercised his right of redemption and paid in full the outstanding trust fund recovery penalties assessed against him. Additional seizures of the real property will be fruitless, as the Service must conduct extensive preparations, and it is clear that the threat of the seizures has not brought Vince Baker and Baker Funeral into voluntary compliance with their filing and payment requirements.

25. I sent Baker Funeral and Vince Baker IRS Letter 903 on March 3, 2010. The IRS letter advised them to comply with payment/deposit rules for employment taxes, and warned them of possible civil and criminal penalties should their noncompliance continue. Despite the Service's warning, Baker Funeral has continued to refuse to timely file its tax returns or pay its federal tax liabilities.

Conclusion

26. Based on the foregoing, conventional collection actions are inadequate to eliminate Baker Funeral's outstanding liabilities.

27. It is unreasonable to expect that Vince Baker, on behalf of Baker Funeral, will ever timely file Baker Funeral's federal employment tax returns and pay the

corresponding taxes due as required by law.

28. Absent an injunction, Baker Funeral and Vince Baker's noncompliance will almost certainly continue, and the Government will continue to lose federal tax revenues.
29. Moreover, based on my experience as a revenue officer, Vince Baker and Baker Funeral's blatant disregard for the tax laws is likely to encourage other businesses to follow suit and interfere with enforcement of the internal revenue laws.

I declare under the penalty of perjury that the foregoing is true and correct.

Dated: 7/20/2011



MARVENA LEWIS
REVENUE OFFICER
INTERNAL REVENUE SERVICE