

Saving the World: Nine Trillion Dollar IRS Whistleblower Claim Filed by Renowned System Analyst

Fort Myers, Florida Jun 11, 2023 ([IssueWire.com](https://www.issuewire.com)) - In an unprecedented move, a prominent system analyst has lodged a ground-breaking whistleblower claim with the Internal Revenue Service (IRS), alleging extensive tax evasion techniques that could be costing the U.S. government up to \$9 trillion. The claim puts the spotlight on the IRS's Operating Division, suggesting they have been misinterpreting key tax laws.

The development comes as the federal government is set to significantly bolster the IRS. The recently enacted Reconciliation Act allocates an additional \$80 billion to the IRS for bolstering its enforcement capabilities and intensifying audits. In line with this, President Biden is planning to add 87,000 new auditors to the IRS workforce, a move aimed at the suspected two-to-three million tax violators in the healthcare industry.

Central to this claim is the alleged misinterpretation of the all-events test, coded as 26 CFR 1.451-1 in the tax code. This pivotal tax regulation states that a liability can be acknowledged as income once its existence is established and the amount can be ascertained with reasonable accuracy. The whistleblower alleges that the IRS has a flawed understanding of this regulation, which is leading to major losses in tax revenue.

The system analyst points out several misconceptions held by the IRS's Operating Division regarding the financial relationship between healthcare providers and insurance companies. According to the claim, the IRS erroneously assumes that the payment from a private-pay insured member does not dictate the provider's income, leading to inaccurate income calculations.

The claim also criticizes the IRS for incorrectly attributing the amount listed on a patient's bill to the insurance company, suggesting that the patient is the actual party responsible for the bill. The Division is reportedly mistaken in believing that any unpaid portion of the debt does not equate to a cancellation of the debt. These misunderstandings could have significant tax implications, resulting in inaccurate tax assessments and, ultimately, a loss in revenue.

Another major issue the claim raises is the IRS's belief that a healthcare provider's income equals the amount negotiated with the insurance company for services rendered, overlooking the actual amount billed to the patient. This misunderstanding may lead to incorrect income recognition and subsequent tax miscalculations.

The claim further contends that the IRS wrongly views the difference between the amount billed to a patient and the negotiated insurance rate as a legitimate contractual adjustment. In reality, this differential could represent an unlawful kickback, suggesting the possibility that the IRS may be allowing significant expense deductions for healthcare providers that could be deemed illegal.

Another point of contention is the IRS's acceptance of the legality of the contract between the healthcare provider and insurance company, as well as its misconception that the insurance company, not the patient, is the customer of the provider. These misunderstandings could lead to improper income reporting and incorrect tax calculations.

The whistleblower claim also highlights the issue of patient brokering, where offering or accepting any

inducement for patient referrals is illegal. There are exceptions for discounts given to patients, but these can be prone to abuse, especially if such discounts are incorrectly classified as legal deductions rather than illegal kickbacks.

Invoking the principle of estoppel, the whistleblower argues that the IRS cannot turn a blind eye to these potential tax violations. In the interest of public rights and the necessary collection of taxes, the IRS must address these potential issues stemming from misunderstandings or lack of action.

This \$9 trillion whistleblower claim, if substantiated, has the potential to revolutionize the IRS's understanding of the healthcare industry's billing practices and tax obligations. With the sizable investment in additional IRS resources under the Reconciliation Act, there is hope that such deeply ingrained misconceptions and their subsequent ramifications can be rectified.

Media Contact

Saving the World

RoyJMeidinger@comcast.net

9547909407

14893 American Eagle Court

Source : Saving the World

[See on IssueWire](#)