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## IRS gives whistleblower \$4.5 million

The Associated Press

An in-house accountant who raised a red flag about a tax lapse that his employer then ignored, and who tipped off the IRS, has received \$4.5 million, minus taxes, in the first IRS whistleblower award.

The accountant's tip netted the IRS \$20 million in taxes and interest from the errant financial-services firm.

The award represents a 22 percent cut of the taxes recovered. The program, designed to encourage tips in large-scale cases, mandates awards of 15 percent to 30 percent of the amount recouped.

"It ought to encourage a lot of other people to squeal," Sen. Charles Grassley told The Associated Press. The Iowa Republican helped get the IRS Whistleblower Office authorized in 2006.

The IRS mailed the accountant's lawyer a \$3.24 million check that arrived in suburban Philadelphia by first-class mail Thursday. The sum represents the award minus a 28 percent tax hit.

The lawyer, Eric L. Young, won't release the name of his client or the firm because his client remains a small-town accountant and hopes to continue to work in his field.

The accountant filed a complaint with the IRS in 2007, just as the IRS Whistleblower Office opened, but heard nothing for two years. Frustrated, he hired Young to help push the issue.

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