

1 JOHN A. DICICCO
Principal Deputy Assistant Attorney General

2 CHARLES M. DUFFY
3 Trial Attorney, Tax Division
4 U.S. Department of Justice
5 P.O. Box 683
6 Ben Franklin Station
7 Washington, D.C. 20044-0683
8 Telephone: (202) 307-6406
9 Email: charles.m.duffy@usdoj.gov
10 Western.taxcivil@usdoj.gov
11 *Attorneys for the United States of America*

12 ANN SCHEEL
13 Acting United States Attorney
14 District of Arizona
15 *Of Counsel*

16 IN THE UNITED STATES DISTRICT COURT
17 DISTRICT OF ARIZONA

18 UNITED STATES OF AMERICA,

19 Plaintiff,

20 v.

21 JOSEPH J. LIPARI, EILEEN H. LIPARI and
22 EXETER TRINITY PROPERTIES, L.L.C.,

23 Defendants.

Civ. No. 10-CV-08142-JWS

DECLARATION OF DEBBIE VAHE

24 I, DEBBIE VAHE, declare that:

- 25 1. I am a Revenue Officer for the Internal Revenue Service ("IRS") in Phoenix, Arizona.
- 26 2. As part of my duties as an IRS Revenue Officer I have personal knowledge concerning
27 facts, described below, relating to Joseph and Eileen Lipari.
- 28 3. An IRS Form 4340 (Certificate of Assessments and Payments) does not usually set
forth a current statement of interest due on an account. Rather, the interest that has accrued
subsequent to the date of assessment can be determined by using the computer command code
"INTST" which will produce a Form INTST which provides a calculation of interest and
delinquency penalty to any requested date. I am informed and believe that the floating rate of
interest on tax underpayments has been programmed into IRS computers. I am familiar with the

1 proper use of the IRS computer interest calculation functions.

2 4. Attached hereto as Exhibit 1 are copies of the Form INTST calculations for the income
3 tax and related assessments made for Joseph Lipari's 1994 through 1997 separate tax years. Exhibit
4 1, Bates page 1 is the Form INTST calculation for the 1994 year; Exhibit 1, Bates page 2 is the Form
5 INTST calculation for the 1995 year; Exhibit 1, Bates page 3 is the Form INTST calculation for the
6 1996 year; Exhibit 1, Bates page 4 is the Form INTST calculation for the 1997 year.

7 5. Attached hereto as Exhibit 2 are copies of the Form INTST calculations for the income
8 tax and related assessments made for Eileen Lipari's 1994 through 1997 separate tax years. Exhibit
9 2, Bates page 1 is the Form INTST calculation for the 1994 year; Exhibit 2, Bates page 2 is the Form
10 INTST calculation for the 1995 year; Exhibit 2, Bates page 3 is the Form INTST calculation for the
11 1996 year; Exhibit 2, Bates page 4 is the Form INTST calculation for the 1997 year.

12 6. Attached hereto as Exhibit 3 are copies of the Form INTST calculations for the income
13 tax and related assessments made for Joseph and Eileen Liparis' 1993 and 1998 through 2004 joint
14 tax years. Exhibit 3, Bates page 1 is the Form INTST calculation for the 1993 year; Exhibit 3, Bates
15 page 2 is the Form INTST calculation for the 1998 year; Exhibit 3, Bates page 3 is the Form INTST
16 calculation for the 1999 year; Exhibit 3, Bates page 4 is the Form INTST calculation for the 2000
17 year; Exhibit 3, Bates page 5 is the Form INTST calculation for the 2001 year; Exhibit 3, Bates page
18 6 is the Form INTST calculation for the 2002 year; Exhibit 3, Bates page 7 is the Form INTST
19 calculation for the 2003 year; Exhibit 3, Bates page 8 is the Form INTST calculation for the 2004
20 year.

21 7. The "balance due" set forth on each of the attached Form INTST calculations reflects
22 the outstanding balance for each of the referenced periods as of November 1, 2011.

23 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and
24 correct.

25 11/30/2011
26 Date

25 Debbie Vahe
26 Debbie Vahe
27 IRS Revenue Officer
28 Phoenix, Arizona

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 1st day of December, 2011, I electronically filed the foregoing with the Clerk of Court and served the following attorney of record using the CM/ECF system:

John Friedeman, P.C.
5103 E. Thomas Road
Phoenix, Arizona 85018

I further certify that on the same day, I mailed by U.S. Postal Service the foregoing to the following party who is not represented by counsel:

Joseph J. Lipari
156 Johnson Hill Drive
Waynesville, NC 28786

/s/ Charles M. Duffy
Charles M. Duffy
Trial Attorney, Tax Division
U.S. Department of Justice

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:27:26 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199412 11012011 LIPA

5,871.50	ASSESSED FTP
31,770.34	ASSESSED INT
42,147.56	TAX & PENALTY
79,789.40	ASSESSED TOTAL
.00	ACCRUED FTP
56,603.37	ACCRUED INT
56,603.37	TOTAL ACCRUALS
5,871.50	TOTAL FTP
88,373.71	TOTAL INT
136,392.77	BALANCE DUE

**Government
Exhibit**

VaheEx1

INTST ██████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199512 11012011 LIPA

5,773.50	ASSESSED FTP
41,454.21	ASSESSED INT
54,050.02	TAX & PENALTY
101,277.73	ASSESSED TOTAL
5,285.75	ACCRUED FTP
46,531.32	ACCRUED INT
51,817.07	TOTAL ACCRUALS
11,059.25	TOTAL FTP
87,985.53	TOTAL INT
153,094.80	BALANCE DUE

Station Name: MESUCSMAL152245 Date: 11/30/2011 Time: 10:27:35 AM

INTST ██████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199612 11012011 LIPA	
4,613.74	ASSESSED FTP
30,916.92	ASSESSED INT
42,964.79	TAX & PENALTY
78,495.45	ASSESSED TOTAL
4,115.76	ACCRUED FTP
29,571.66	ACCRUED INT
33,687.42	TOTAL ACCRUALS
8,729.50	TOTAL FTP
60,488.58	TOTAL INT
112,182.87	BALANCE DUE

Station Name: MBS003MA4132243 Date: 11/30/2011 Time: 10:27:41 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199712 11012011 LIPA

8,163.00	ASSESSED FTP
9,020.35	ASSESSED INT
30,820.44	TAX & PENALTY
48,003.79	ASSESSED TOTAL
.00	ACCRUED FTP
32,186.50	ACCRUED INT
32,186.50	TOTAL ACCRUALS
8,163.00	TOTAL FTP
41,206.85	TOTAL INT
80,190.29	BALANCE DUE

COMPUTATION HOLD ON FTP

Employee #2616911752 Page 001 of 002 PAGE 002

Station Name: MES005M4152245 Date: 11/30/2011 Time: 10:27:05 AM

INTST ██████████-8705

** PREVIOUS LOGON: 20111129 @ 14:47

30 199412 11012011 LIPA	
3,446.00	ASSESSED FTP
9,899.41	ASSESSED INT
16,912.40	TAX & PENALTY
30,257.81	ASSESSED TOTAL
.00	ACCRUED FTP
25,097.98	ACCRUED INT
25,097.98	TOTAL ACCRUALS
3,446.00	TOTAL FTP
34,997.39	TOTAL INT
55,355.79	BALANCE DUE



COMPUTATION HOLD ON FTP
 Employee #2616911752 Page 001 of 002 PAGE 002

1

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:29:01 AM

INTST ████████-8705

** PREVIOUS LOGON: 20111129 @ 14:47

30.199512 11012011 LIPA

3,363.00	ASSESSED FTP
14,891.99	ASSESSED INT
16,475.25	TAX & PENALTY
34,731.24	ASSESSED TOTAL
.00	ACCRUED FTP
14,859.86	ACCRUED INT
14,859.86	TOTAL ACCRUALS
3,363.00	TOTAL FTP
29,751.85	TOTAL INT
49,591.10	BALANCE DUE

COMPUTATION HOLD ON FTP

Employee #2616911752 Page 001 of 002 PAGE 002

2

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:28:55 AM

INTST ████████-8705

** PREVIOUS LOGON: 20111129 @ 14:47

30 199612 11012011 LIPA

2,750.50	ASSESSED FTP
19,939.47	ASSESSED INT
13,475.00	TAX & PENALTY
36,164.97	ASSESSED TOTAL
.00	ACCRUED FTP
1,264.02	ACCRUED INT
1,264.02	TOTAL ACCRUALS
2,750.50	TOTAL FTP
21,203.49	TOTAL INT
37,428.99	BALANCE DUE

COMPUTATION HOLD ON FTP

Employee #2616911752 Page 001 of 002 PAGE 002

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:28:50 AM

INTST ████████-8705

** PREVIOUS LOGON: 20111129 @ 14:47

30 199712 11012011 LIPA	
2,903.75	ASSESSED FTP
18,076.83	ASSESSED INT
14,246.38	TAX & PENALTY
35,226.96	ASSESSED TOTAL
.00	ACCRUED FTP
1,231.25	ACCRUED INT
1,231.25	TOTAL ACCRUALS
2,903.75	TOTAL FTP
19,308.08	TOTAL INT
36,458.21	BALANCE DUE

COMPUTATION HOLD ON FTP
Employee #2616911752 Page 001 of 002 PAGE 002

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:26:10 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199312 11012011 LIPA	
11,009.83	ASSESSED FTP
41,447.34	ASSESSED INT
37,522.85	TAX & PENALTY
89,980.02	ASSESSED TOTAL
8.87	ACCRUED FTP
83,090.94	ACCRUED INT
83,099.81	TOTAL ACCRUALS
11,018.70	TOTAL FTP
124,538.28	TOTAL INT
173,079.83	BALANCE DUE



1

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:26:18 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199812 11012011 LIPA	
2,366.25	ASSESSED FTP
8,960.48	ASSESSED INT
12,032.23	TAX & PENALTY
23,358.96	ASSESSED TOTAL
.00	ACCRUED FTP
4,870.22	ACCRUED INT
4,870.22	TOTAL ACCRUALS
2,366.25	TOTAL FTP
13,830.70	TOTAL INT
28,229.18	BALANCE DUE

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:26:27 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 199912 11012011 LIPA

2,891.50	ASSESSED FTP
9,041.01	ASSESSED INT
14,673.43	TAX & PENALTY
26,605.94	ASSESSED TOTAL
.00	ACCRUED FTP
5,498.14	ACCRUED INT
5,498.14	TOTAL ACCRUALS
2,891.50	TOTAL FTP
14,539.15	TOTAL INT
32,104.08	BALANCE DUE

Station Name: MES003MAY150745

** PREVIOUS LOGON: 20111129 @ 14:47

INTST ██████-9760

30 200012 11012011 LIPA	
	.00 ASSESSED FTP
	6,516.89 ASSESSED INT
	11,232.50 TAX & PENALTY
	17,749.39 ASSESSED TOTAL
	2,246.50 ACCRUED FTP
	2,554.34 ACCRUED INT
	4,800.84 TOTAL ACCRUALS
	2,246.50 TOTAL FTP
	9,071.23 TOTAL INT
	22,550.23 BALANCE DUE

Station Name: MES003MA4132243 Date: 11/30/2011 Time: 10:42:35 AM

INTST ██████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 200112 11012011 LIPA	
2,681.50	ASSESSED FTP
5,227.64	ASSESSED INT
13,563.84	TAX & PENALTY
21,472.98	ASSESSED TOTAL
.00	ACCRUED FTP
4,437.51	ACCRUED INT
4,437.51	TOTAL ACCRUALS
2,681.50	TOTAL FTP
9,665.15	TOTAL INT
25,910.49	BALANCE DUE

5

Station Name: MES003MA1152245 Date: 11/30/2011 Time: 10:50:42 AM

INTST ██████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 200212 11012011 LIPA

.00	ASSESSED FTP
2,233.29	ASSESSED INT
5,887.25	TAX & PENALTY
8,120.54	ASSESSED TOTAL
1,145.25	ACCRUED FTP
1,186.30	ACCRUED INT
2,331.55	TOTAL ACCRUALS
1,145.25	TOTAL FTP
3,419.59	TOTAL INT
10,452.09	BALANCE DUE

Station Name: MBS003MA4132243 Date: 11/30/2011 Time: 10:26:50 AM

INTST ██████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 200312 11012011 LJPA	
523.38	ASSESSED FTP
797.69	ASSESSED INT
2,975.27	TAX & PENALTY
4,296.34	ASSESSED TOTAL
71.37	ACCRUED FTP
840.36	ACCRUED INT
911.73	TOTAL ACCRUALS
594.75	TOTAL FTP
1,638.05	TOTAL INT
5,208.07	BALANCE DUE

7

Station Name: MRS003M4132243 Date: 11/30/2011 Time: 10:28:55 AM

INTST ████████-9760

** PREVIOUS LOGON: 20111129 @ 14:47

30 200412 11012011 LIFA		
	223.20	ASSESSED FTP
	369.36	ASSESSED INT
	1,748.87	TAX & PENALTY
	2,341.43	ASSESSED TOTAL
	125.55	ACCRUED FTP
	453.68	ACCRUED INT
	579.23	TOTAL ACCRUALS
	348.75	TOTAL FTP
	823.04	TOTAL INT
	2,920.66	BALANCE DUE

8