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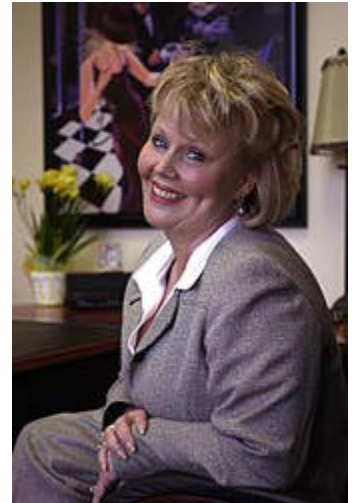
## **On the Job: She tries to cut a break with IRS**

**By Pat Rubin -- Bee Staff - (Published April 14, 2003)**

Lesley Bunning hates to lose.

Mixing the tenacity of a bulldog with concern for clients, Bunning is an IRS negotiator for the CPA firm of Bunning & Koether LLP in Citrus Heights and a principal with the firm. She represents clients who owe the government large amounts of money in back taxes. By the time they find Bunning, the IRS has often garnished their accounts or frozen their assets.

"I don't like to lose," Bunning said, "not because I like to win, but because when I lose, the client loses. Clients have pregnant wives, illnesses. They're not only broke, they're scared. They're afraid they'll lose their house. Some are terrified to open the mail (from the IRS). ... This money is their children's soccer, fuel for the car. People's marriages fall apart over IRS problems. I have to win for them."



Bunning said her average settlement is pennies on the dollar. She works with a team that includes CPAs and former IRS agents. She said has several ground rules: She guarantees an answer on whether a client is eligible to make a settlement offer in an hour; she will not charge if she cannot help; and the client need never talk to the IRS during the process.

Bunning uses a two-step process.

First, she deals with the immediate crisis that brought the client into the office. Most often this involves bank accounts or wages being garnished. She also determines whether the client meets the criteria for making a compromise offer.

Second, she negotiates what's known as an "offer in compromise." This allows taxpayers to settle back tax issues with the IRS for a fraction of what they owe. This part of the process can take a year to 16 months. Her average settlement is 3 cents on the dollar. The final amount is based on a client's asset value and monthly expenses.

Clients come from all walks of life, she said. "People often think that people who owe taxes are criminals. But they're everyday people. They owe taxes and are ashamed of it. Even coming through my door is difficult for them," Bunning said.

She tells of a dot-com entrepreneur who was making six figures until the economy fell apart, and he found himself unemployed, broke and in major debt to the government.

Bunning fell into her role accidentally 18 years ago when a man came to the firm for help with tax problems. Retired from the post office and in poor health, he hadn't paid his taxes for several years, and the bill had grown to \$14,000. Afraid to face the situation, he'd never even opened the letters from the IRS, she explained. Finally, the IRS garnished his retirement.

Bunning decided to try a nontraditional approach. "Rather than quote statutes and regulations, I decided to make an appeal on a personal level to someone with a heart," she said. She put together a document explaining the situation, headed it "Does anybody care?" and faxed it to the IRS collection center every hour. After two days, she finally received a phone call from an IRS agent. "The man said, 'OK, OK, I care. What is it you want from me?' " Bunning was able to get the man's retirement funds released.

"The point is, I found someone who cared and that's why what I do works. I don't demand anything. I ask whether there is anything they can do to help," she said.

The firm now has a division solely dedicated to helping clients in tax crises. Bunning currently has about 30 to 50 offers at various stages.

"I didn't set out to become an IRS negotiator, but when I realized the crisis people faced when owing taxes, I couldn't ignore their predicament," Bunning said