

TP:  
OVDI 2003-2010

RA:  
Date:

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**OFFSHORE PENALTY COMPUTATION WORKPAPER**

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	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Acct #1								
Acct #2								
Acct #3								
Acct #4								
<b>Total</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Highest Aggregate Year  
Highest Aggregate Balance

	<u>2003</u>
	\$ -
x	<u>25%</u>
	<u>\$ -</u>

Computation of 25% Offshore Penalty

Revenue Agent made the determination that based upon review of all statements provided that the amounts above represent the highest aggregate balances for offshore accounts for each of the years identified above.

**In lieu of Form 886A:**

The "offshore penalty" framework authorized in the March 1, 2011, memorandum from the IRS Deputy Commissioner for Services and Enforcement applies to this case. The penalty is 25% of the amounts in foreign/accounts in the year with the highest aggregate account/asset balance. Interest accrues on the offshore penalty as of the date of its assessment. For administrative convenience, the offshore penalty will be assessed in tax year 2009, regardless of the year the highest aggregate balance was in.