

Underpaid taxes by Mr. Hussein of approximately \$700,000

Mr. Hussein underpaid his income taxes in 1983 and 1984. The IRS tried to seize his property and garnish his wages to satisfy the unpaid taxes. Mr. Hussein's application to enjoin the IRS from seizing his property was denied and the parties agreed to enter into a settlement. At a later time, the government tried to collect from Mr. Hussein certain amounts in respect of his unpaid 1983 and 1984 income taxes. Mr. Hussein lost a preliminary proceeding, but appealed to the Second Circuit Court of Appeals, alleging that the statute of limitation had expired on the claims. The Court of Appeals ruled that the statute of limitation had expired for the 1983 taxes, but that it had not expired for the 1984 taxes.

Mr. Hussein would have you believe that he paid his 1983 and 1984 taxes in full, but the excerpts below show otherwise.

In the transcript of the trial where Mr. Hussein tried to prevent IRS from seizing his property (*Ahmed Hussein v. United States of America et al.*, case no. 94 Civ. 605, page 7, lines 20-22), the presiding judge for the United States District Court of the Southern District of New York stated:

“[H]e didn't pay his taxes. There doesn't seem to be any issue about that. Am I supposed to enjoin the IRS when he didn't pay his taxes?”

In the background section of the Second Circuit Court of Appeals opinion in *United States of America v. Ahmed Hussein* (Docket No. 98-6180), the Court of Appeals stated:

“Following the district court's [United States District Court of the Southern District of New York] ruling, the parties entered into a consent judgment that ordered Hussein to pay \$675,183.88 in outstanding liabilities for tax years 1983 and 1984, but preserved Hussein's right to appeal the court's ruling on the statute of limitations issue. This timely appeal followed.”