



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

DATE: 9-20-05

801 Civic Center Drive Suite 200
Santa Ana, CA 92701-4050
Person to Contact : Shereen Hawkins
ID# 33-05429
Telephone Number (714) 347-9502

Joseph Banister
2282 S
San Jo

Dear Mr. Banister:

We have reviewed materials regarding your participation in tax avoidance transactions. We are considering penalties and injunctions under Internal Revenue Code sections 6694, 6695, 6700, 6701, 7402, 7407, and 7408 for promoting and/or preparing documents relating to these transactions. In addition, we will consider issuing "pre-filing notification" letters to the persons who have participated in these transactions.

The purpose of this letter is to schedule a meeting to give you the opportunity to present any facts or legal arguments which you feel would conclude that the penalties and/or the injunction is not appropriate. Enclosed is Form 4564, *Information Document Request*, which contains a list of documents, books and records that you should have available at the meeting and questions you should be prepared to reply to at that time.

Please call within 14 days of the date of this letter to schedule the meeting. The location of the meeting will be the IRS office at 55 South Market Street, San Jose, CA.

The information you provide at this meeting, as well as materials already available, will be used to determine what possible action(s) the Service may take. If you have any questions, please contact us at (714) 347-9502. You may also write to us at 801 Civic Center Drive, Suite 200, Santa Ana CA., 92701, Attn: Shereen Hawkins Group 1835.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Teresa A. Franklin".

Teresa A. Franklin
Area Manager
SB/SE Compliance Area 7

Enclosures:
Notice 609
Form 4564, Information Document Request
Letter 3164P



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
Washington, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

Internal Revenue Service
Field Examination

Address any reply to: Internal Revenue Service
801 Civic Center Dr. Ste. 200
Santa Ana, CA 92701

Person to Contact: Shereen Hawkins

Telephone Number: (714) 347-9502

Employee Identification Number: 33-05429

Refer Reply To: FE1835:SH

Date: 9-20-05

>Joseph Banister
2282 S
San Jo

Dear Mr. Banister:

We are providing you with advance notice that the interview (to be scheduled) at 55 South Market Street, San Jose, CA will be subject to an audio recording and/or a court reporter.

If you want to make a similar audio recording, you may bring any necessary equipment or you may request, at your own expense, that the IRS provide you with a cassette copy or transcript of the interview.

Your written request must be received within 30 calendar days of the date of the recorded interview, enclosing payment in full by check or money order.

If you have any questions, please contact the person whose name is shown above.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "PE Eds".

Phil Edwards
Territory Manager
Area 14, SNBT1

Form 4564 Rev. June 1988	Department of the Treasury Internal Revenue Service INFORMATION DOCUMENT REQUEST	Request Number 1
TO: Joseph Banister	Subject:	Consideration of action Under IRC 6694, 6695, 6700, 6701, 7402, 7407, and 7408
	SAIN:	Submitted to: Taxpayer
	Dates of Previous Requests: N/A	

PROVIDE THE FOLLOWING INFORMATION FOR THE PERIOD JANUARY 1, 1998 TO THE PRESENT:

The following request for information applies to Taxpayer and/or any other entity for which Taxpayer is a promoter, officer, trustee, and/or partner, including, but not limited to Freedom Above Fortune Educational Services, Tip Consulting Services and Banister Investigations. It also includes any employees, agents or staff of any of the above.

Any and all accounting records, agreements, applications, audiotapes, bank records, canceled checks, day planners, deposit slips, brochures, books, calendars, client lists, contracts, correspondence sent and received, customer lists, desk calendars, documents, e-mails sent and received, financial statements, forms, general ledgers, handbooks, invoices, legal or accounting opinions, manuals, materials, memoranda sent and received, newsletters, notes, Palm Pilot, Pocket P.C. or any other personal digital assistant, promissory notes, promotional materials, prospectuses, receipts for payment, tax forms, tax returns, training materials, videotapes and records (whether any of the aforesaid may be kept as hardcopy, an electronic record, report or data file, stored on hard disk, floppy disk, mini disk, zip drive, jazz drive, magnetic tape, CD-R, CD-RW, DVD, server or any other medium):

	Name and Title of Requester: <i>Shereen Hawkins</i> Shereen Hawkins Badge # 33-05429 Internal Revenue Agent	Date: <i>9-12-07</i>
	Office Location: 801 Civic Center Drive Suite 200 Santa Ana, CA 92701- 4050 Attn.: Shereen Hawkins	

Form 4564 Rev. June 1988	Department of the Treasury Internal Revenue Service INFORMATION DOCUMENT REQUEST	Request Number 1
TO: Joseph Banister	Subject:	Consideration of action Under IRC 6694, 6695, 6700, 6701, 7402, 7407, and 7408
	SAIN:	Submitted to: Taxpayer
	Dates of Previous Requests: N/A	

1. Relating to Freedom Above Fortune Educational Services, Tip Consulting Services and Banister Investigations;
2. Relating to any other entities or businesses under your control ;
3. Relating to the drafting, promoting, or marketing of tax advice, tax arrangements, tax planning, tax services, tax return preparation, assistance in tax matters, representation in tax matters, or representation before the I.R.S. or the California Franchise Tax Board;
4. Reflecting the identities (including but not limited to name, address, telephone number and TIN) of any purchasers of the tax advice, tax arrangements, tax planning or general tax views offered by you, Freedom Above Fortune Educational Services, Tip Consulting Services, Banister Investigations or any other entity or business under your control;
5. Reflecting the identities (including but not limited to name, address, telephone number and TIN) of any persons who helped in organizing, promoting, or selling the tax advice, tax arrangements, tax planning or the general tax views offered by you, Freedom Above Fortune Educational Services, Tip

	Name and Title of Requester: Shereen Hawkins Badge # 33-05429 Internal Revenue Agent	Date:
Office Location: 801 Civic Center Drive Suite 200 Santa Ana, CA 92701- 4050 Attn.: Shereen Hawkins		

Form 4564 Rev. June 1988	Department of the Treasury Internal Revenue Service INFORMATION DOCUMENT REQUEST	Request Number 1
TO: Joseph Banister	Subject:	Consideration of action Under IRC 6694, 6695, 6700, 6701, 7402, 7407, and 7408
	SAIN:	Submitted to: Taxpayer
	Dates of Previous Requests: N/A	

Consulting Services, Banister Investigations or any other entity or business under your control; and

6. Relating to any bank accounts over which you, Freedom Above Fortune Educational Services, Tip Consulting Services, Banister Investigations or any other entity or business under your control, have signature authority or other ownership.

	Name and Title of Requester: Shereen Hawkins Badge # 33-05429 Internal Revenue Agent	Date:
Office Location: 801 Civic Center Drive Suite 200 Santa Ana, CA 92701- 4050 Attn.: Shereen Hawkins		

Internal Revenue Service

Department of the Treasury

Letter Number: 3164 P (DO)

Letter Date:

9-12-05

Social Security Number or

Employer Identification Number:

561-53-3724

For Assistance You May Call Us At :

(714) 347-9502

Person to Contact:

Shereen Hawkins

Employee Identification Number:

33-05429

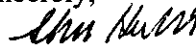
Dear Joseph Banister

We are in the process of reviewing your participation and conduct in activities which might result in an understatement of a taxpayer's federal tax liability. Generally, our practice is to deal directly with a taxpayer or a taxpayer's duly authorized representative. However, we sometimes talk with other persons, for example, when we need information that the taxpayer has been unable to provide, or to verify information we have received.

We are writing to tell you that we may contact other persons. If we do contact other persons we will generally need to tell them limited information, such as your name. The law prohibits us from disclosing any more information than is necessary to obtain or verify the information we are seeking. Our need to contact other persons may continue as long as there is activity on this letter.

If you have questions regarding this letter or wish to request a list of contacts, please do not hesitate to contact the employee listed above. However, **you are not required to respond to this letter.**

Sincerely,



Shereen Hawkins

Letter 3164 P (DO)(01- 2001)

Cat. No. 73249J



Department of the Treasury
Internal Revenue Service

Notice 609

(Revised July 2002)

Privacy Act Notice

The Privacy Act of 1974 says that when we ask you for information, we must first tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if you do not provide it and whether or not you must respond under the law.

This notice applies to tax returns and any papers filed with them. It also applies to any questions we need to ask you so we can complete, correct, or process your return; figure your tax; and collect tax, interest, or penalties.

Our legal right to ask for information is found in Internal Revenue Code sections 6001, 6011, and 6012(a) and their regulations. They say that you must file a return or statement with us for any tax you are liable for. Your response is mandatory under these sections.

Code section 6109 and its regulations say that you must show your social security number or individual taxpayer identification number on what you file. You must also fill in all parts of the tax form that apply to you. This is so we know who you are and can process your return and papers. You do not have to check the boxes for the Presidential Election Campaign Fund.

We ask for tax return information to carry out the U.S. tax laws. We need it to figure and collect the right amount of tax.

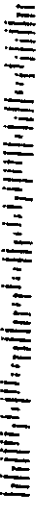
We may give the information to the Department of Justice and to other Federal agencies, as provided by law. We may also give it to cities, states, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. And we may give it to certain foreign governments under tax treaties they have with the United States. We may also disclose this information

to Federal, state, or local agencies that investigate or respond to acts or threats of terrorism or participate in intelligence or counterintelligence activities concerning terrorism.

If you do not file a return, do not give us the information we ask for, or provide fraudulent information, the law says that we may have to charge you penalties and, in certain cases, subject you to criminal prosecution. We may also have to disallow the exemptions, exclusions, credits, deductions, or adjustments shown on your tax return. This could make your tax higher or delay any refund. Interest may also be charged.

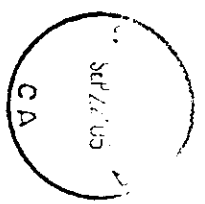
Please keep this notice with your records. You may want to refer to it if we ask you for other information. If you have questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office.





801 Civic Center Drive #200
Santa Ana, CA 92701-4050

Official Business
Penalty for Private Use, \$300



489057 H M E T E R 489057	0083 ★ ★	489057 PRIVATE USE \$300
--	-------------	--------------------------------

Joseph Banister
22825
San J