



Department of the Treasury
Internal Revenue Service
Austin, TX 73301-0010

Notice CP15
Tax Year 2018



005781

Notice of Penalty Charge

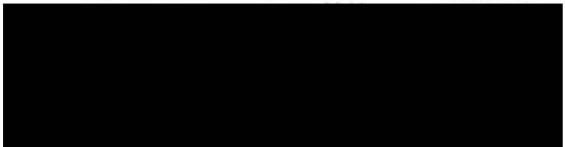
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You have been charged a penalty under Section 6677 of the Internal Revenue Code for Failure to File Form 3520-A.

TAX STATEMENT

Prior Balance	\$0.00
Penalty Assessment	\$35,144.55
Interest	\$0.00
Bad Check Penalty	\$0.00
Balance Due	\$35,144.55

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We charged you a penalty under Internal Revenue Code (IRC) Section 6677 because you didn't meet the reporting requirements of IRC Section 6048(b). Section 6048(b) requires U.S. owners of a foreign trust to ensure that a complete and accurate Form 3520-A, Annual Return of Foreign Trust With a U.S. Owner, is filed by the foreign trust by the time prescribed. Or, if the trust does not file a Form 3520-A, the U.S. Owner must file a complete and accurate substitute Form 3520-A and attach it to the U.S. Owner's timely-filed Form 3520.

The amount of the Initial Penalty under IRC Section 6677(a) and (b) is the greater of \$10,000 or 5% of the gross reportable amount under IRC Section 6677(c), which is the gross value of the portion of the foreign trust's assets at the close of the year treated as owned by the U.S. person. If any failure to file Form 3520-A, or failure to provide correct or complete information, continues for more than ninety (90) days after you have been notified of the failure, we will charge additional penalties (Continuation Penalties) of \$10,000 for each 30-day period (or fraction thereof) during which such failure continues. The total Initial and Continuation penalties will not exceed the greater of \$10,000 or the gross value of the portion of the foreign trust's assets treated as owned by you on Form 3520-A. If we haven't previously issued notification to file a complete and accurate Form 3520-A, this letter constitutes notice of your failure to provide correct or complete information on the Form 3520-A, and the 90-day period begins on the day after the date of this notice.

As an owner of a foreign trust, IRC Section 6048(b) may also require you to report information by filing Part II, U.S. Owner of a Foreign Trust, of Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. A separate penalty under IRC Section 6677(a) and (b), identical to the one described above, will apply if you fail to timely file a complete and accurate Form 3520, Part II.

If you agree with the assessment of this penalty, pay the "Total Amount You Owe" listed above within 10 days from the date of this notice. Note: Even if you pay the total amount you owe, you may still be charged Continuation Penalties if you do not furnish complete and accurate information required under IRC Section 6048(b).

Certain failures to file Form 3520-A, or provide complete and accurate information, may be excused for reasonable cause. If you believe you have reasonable cause for your failure to comply, you may send us a written statement (including any documents that will support your position) within 30 days from the date of this notice. The statement must list all the facts you're claiming as reasonable cause for the failure and include a declaration that the statement is made under penalties of perjury. The fact that a foreign jurisdiction would impose a civil or criminal penalty on you (or any other person) for disclosing the required information is not reasonable cause. If you previously provided a reasonable cause statement that has already been considered and disallowed, please see the claims and appeals guidance below for additional options to contest this assessment.

If you do not pay the amount you owe by November 16, 2020, the law requires us to charge interest on the amount due. The next notice you receive will show the amount of interest and penalties you owe to date. Interest will continue to accrue until you pay the amount in full.

Keep a copy of this notice with your federal tax records.

If you wish to appeal this penalty without going to court, send the IRS (at the address shown on page 1 of this notice) a written request to appeal within 30 days from the date of this notice. Your request should include any explanation and documents that will support your claim. Your explanation should include all facts that support a reasonable cause defense for not being subject to this penalty.

If you do not wish to appeal this penalty, there is nothing you need to do at this time. You may later dispute the penalty by paying the penalty and then filing a claim for credit or refund within the period of limitations provided under IRC Section 6511.

For tax forms, instructions and information visit www.irs.gov. Access to this site will not provide you with any taxpayer account information.