

TRIAL OF A CRIMINAL TAX CASE 1

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| General Principles | 60-1 |
| Opening Scene | 60-1 |
| First Step to Trial | 60-1 |
| Fourteen Preparation Steps | 60-2 |
| Pleadings, Opening Statement, Legal and Argument Folders. | 60-2 |
| Witness Folders -- Generally | 60-2 |
| Witness Folders -- Mechanics | 60-3 |
| Witness Folders -- Contents. | 60-4 |
| Witness Folder -- Defendant | 60-4 |
| Witness Folder -- Agent | 60-4 |
| Documents -- Always in a Tax Case. | 60-5 |
| Classification of Documents. | 60-5 |
| Originals -- Definition Rule 1001(3) | 60-5 |
| Requirement of Original Rule 1002 | 60-6 |
| Duplicate -- Definition Rule 1001(4) | 60-6 |
| Admissibility of Duplicates Rule 1003 | 60-7 |
| Public Documents -- Rule 1005 | 60-8 |
| Stipulations | 60-9 |

1 This trial outline was originally developed by Charles J. Alexander, former Special Litigation Counsel to the Criminal Enforcement Sections of the Tax Division. This outline has been updated to include recent case law where appropriate.

| | <u>PAGE</u> |
|--|-------------|
| Stipulations -- Conditions | 60-9 |
| Organizing Exhibits | |
| 60-9 | |
| Pre-mark Exhibits | |
| 60-9 | |
| Exhibit List -- Essential | |
| 60-10 | |
| Pre-marking Procedure | 60-10 |
| Witness Outlines | |
| 60-11 | |
| Abbreviated Sample Outline | 60-12 |
| Order of Proof | 60-13 |
| Subpoenas. | |
| 60-13 | |
| Subpoenas -- Large Case. | 60-13 |
| Jury. | |
| 60-14 | |
| Government Right to Jury Trial. | 60-14 |
| Selection of Jurors. | 60-15 |
| Opening Statement -- Law. | 60-15 |
| Opening Statement | 60-16 |
| Documents at Trial Generally. | 60-17 |
| Voir Dire | 60-17 |
| Objections -- Rule 103. | 60-17 |
| Inadmissible Evidence Suggested to Jury -- Rule 103(c). | 60-18 |
| Income Tax Returns. | 60-18 |
| Income Tax Returns -- Witness. | 60-18 |
| Income Tax Returns -- Certification. | 60-19 |

| | |
|---|-------------|
| Authenticity Via Witness Route. | 60-19 |
| Income Tax Returns -- Signature -- Trial Mileage. | 60-20 |
| Business Records -- "Records of Regularly Conducted Activity" - Rule 803(6). | 60-21 |
| Term Business -- "Calling of Every Kind" -- Rule 803(6) | 60-22 |
| | <u>PAGE</u> |
| "A Memorandum, Report, Record, or Data Compilation, in any Form" -- Rule 803(6). | 60-22 |
| Computer Printouts -- Rule 803(6). | 60-23 |
| Bank Microfilm Admissible | 60-24 |
| "Made at or Near the Time" -- Rule 803(6) | 60-24 |
| "Made . . . By, or From Information Transmitted By, a Person with Knowledge" -- Rule 803(6). | 60-25 |
| "Made" -- Can Adopt Record of Another. | 60-25 |
| Examples -- Person With Knowledge | 60-26 |
| "If Kept in the Course of a Regularly Conducted Business Activity, <u>and</u> if it was the Regular Practice of that Business Activity to make the Memorandum, Report, Record, or Data Compilation" Rule 803(6) | 60-26 |
| Examples -- Regular Practice to Make Record or Report. | 60-27 |
| Third Party Documents | 60-28 |
| "All as Shown by the Testimony of the Custodian or other Qualified Witness" -- Rule 803(6) | 60-28 |
| Preparer Not Necessary. | 60-29 |
| "Unless the Source of Information or the Method of Circumstances or Preparation Indicate Lack of Trustworthiness" -- Rule 803(6). | 60-30 |
| Defendant's Books and Records Accountant's Workpapers. | 60-31 |

| | |
|---|-------------|
| Foreign Business Records -- 18 U.S.C. § 3505. | 60-32 |
| Proof of Negative -- Business Records | |
| Rule 803(7) | 60-32 |
| Proof of Negative | |
| Public Record or Entry -- Rule 803(10). | 60-33 |
| Certification Procedure -- Rule 803(10) | 60-33 |
| Witness Procedure -- Rule 803(10). | 60-34 |
| | <u>PAGE</u> |
| Case Examples. | 60-34 |
| IRS Certificate of Assessments and Payments | |
| Rule 803(10). | 60-35 |
| Notarized Affidavit Admitted, Rule 803(10), 902(8). | 60-35 |
| Examples, Proof of Negative Criminal Tax Cases | |
| Rules 803(7), (10). | 60-36 |

PUBLIC RECORDS AND REPORTS
RECORDED DOCUMENTS

| | |
|--|-------|
| Applicable Rules. | 60-37 |
| Admissibility and Certification of Public -- Official Records. | 60-37 |
| Public -- Recorded Records -- Meaning | 60-37 |
| Examples -- Public/Official Records. | 60-39 |
| Hearsay Exception -- Admissible -- Public Records Under Rule 803(8) | 60-39 |
| General Comment -- Rule 803(8), Fed. R. Evid. | 60-39 |
| Activities of Office or Agency Rule 803(8)(a) | 60-40 |
| Public Records and Reports of Foreign Governments Rule 803(a). | 60-41 |
| Matters Observed -- Duty to Report Rule 803(8)(b). | 60-41 |
| But Not Admissible in Criminal Cases Rule 803(8)(b). | 60-41 |
| Records of Non-Adversarial Matters | |

| | |
|--|-------------|
| Not Excluded -- Rule 803(8)(b) | 60-42 |
| Factual Findings of Investigation Made Pursuant to Law -- Rule 803(8)(c) | 60-42 |
| Factual Findings -- Unless Circumstances Indicate Lack of Trustworthiness -- Rule 803(8)(c) | 60-44 |
| Recorded Documents Affecting An Interest in Property -- Rule 803(14) | 60-44 |
| | <u>PAGE</u> |
| Statements in Documents Affecting an Interest in Property -- Rule 803(15) | 60-45 |
| Residual Hearsay Exception -- Rule 803(24) | 60-45 |

AUTHENTICITY

| | |
|---|-------|
| Requirement of Authentication or Identification Rule 901(a) | 60-46 |
| Methods of Authenticating -- Rule 901(b) | 60-46 |
| Prima Facie Showing | 60-47 |
| Chain of Custody | 60-47 |
| Authentication: Distinctive Characteristics And the Like -- Rule 901(b)(4) | 60-47 |
| Authentication -- Public Records or Reports Rule 901(b)(7) | 60-49 |

AUTHENTICITY VIA STATUTE

| | |
|--|-------|
| Authentication May Be By Statutory Methods Rule 901(b)(10) | 60-49 |
| Statutory Authentication Rule 901(b)(10) | 60-49 |
| Income Tax Returns -- Certification | 60-50 |
| Self-Authentication -- Rule 902 | 60-51 |
| Ten Types of Documents Made Self Authenticating -- Rule 902 | 60-51 |
| Authentication of Public Records by Certification | 60-51 |

| | |
|--|-------------|
| Distinguish: Authenticity vs. Admissibility. | 60-52 |
| Self-Authenticating -- Certified Public Documents and Records -- Rule 902(1), (4). | 60-52 |
| Case Examples -- Rule 902 | 60-54 |
| Self-Authenticating -- Acknowledged -- Notarized Documents Rule 902(8) | 60-54 |
| | <u>PAGE</u> |
| Example -- Notarized Document Admitted Rules 803(10) and 902 | 60-55 |
| Self-Authenticating -- Commercial Paper and Related Documents, Rule 902(9). | 60-55 |
| General Commercial Law, Uniform Commercial Code Rule 902(9) | 60-55 |
| Pertinent Provisions of Uniform Commercial Code (UCC)-- Rule 902(9). | 60-56 |
| Self-Authenticating, Promissory Note -- Rule 902(9) | 60-57 |
| Self-Authenticating, Checks -- Rule 902(9). | 60-57 |
| Self-Authenticating, College Transcripts -- Rule 902(9) | 60-58 |
| Also Self-Authenticating Rules 902(5), (6) | 60-58 |
| Witness Needed -- Example IRS Certificate of Assessment and Payments -- Form 4340 -- Computer Transcript -- Form 4303. | 60-59 |

MISCELLANEOUS RULES

| | |
|--|-------|
| Rules of Completeness -- Rule 106. | 60-60 |
| Applicable Principles -- Pre-Rules | 60-60 |
| Admissible At That Time Rule 106. | 60-61 |

| | | |
|---|-------|-------------|
| Limitations of Rule | 60-62 | |
| Examples -- Rule 106. | | 60-62 |
| Time of Admission Not Mandatory. | | 60-62 |
| Rule 612 -- Writing Used to Refresh Memory. | | 60-63 |
| Steps in Refreshing Recollection | | |
| Rule 106, Fed. R. Evid | 60-63 | |
| Can Use Anything To Refresh Recollection? | | 60-63 |
| Mechanics -- Refreshing Recollection. | | 60-64 |
| | | <u>PAGE</u> |
| Party Refreshing Recollection Can't Read Statement to Jury -- Rule 106, Fed. R. Evid | 60-65 | |
| Objection To Improper Procedure Rule 103(c), Fed. R. Evid. | | 60-65 |
| Adverse Party Can Examine and Introduce Memory Aid -- Rule 612 | | 60-66 |
| Caveat -- Jury Instruction -- Rule 612. | | 60-66 |
| Hearsay Exception -- Past Recollection Recorded Rule 803(5) | 60-66 | |
| Distinguish Refreshing Recollection and Past Recollection Recorded | | 60-66 |
| Witness Forgets on Stand -- "Insufficient Recollection" -- Rule 803(5) | | 60-67 |
| Memorandum Or Record Of Matter Rule 803(5) | 60-67 | |
| Memorandum -- As Evidence Rule 803(5). | | 60-68 |
| <u>SUMMARIES AND SCHEDULES</u> | | |
| Summaries -- Generally. | | 60-69 |

| | |
|---|-------|
| Summary Of Evidence | |
| 60-69 | |
| Summary Testimony from Expert Witness | 60-70 |
| Net Worth/Expenditure Cases. | 60-71 |
| Summary Of Records Not In Evidence | |
| Rule 1006. | 60-71 |
| Summary Of Documents Only -- Not Testimony | |
| Rule 1006. | 60-72 |
| Admissible Evidence Only -- Rule 1006. | 60-73 |
| Preparation of Summary. | 60-73 |
| Rule 1006 Summaries Are Evidence. | 60-73 |

POINTS TO NOTE

| | |
|---|--------------------|
| Prior Inconsistent Statement At Prior Proceeding | |
| Rule 801(d)(1)(A). | 60-74 |
| | <u>PAGE</u> |
| Grand Jury Testimony -- Rule 801(d)(1)(A). | 60-74 |
| Prior Inconsistent Statement Not In Prior Proceeding/Under Oath -- Rules 607 and 613. | 60-75 |
| Impeaching Your Own Witness -- Rule 607. | 60-75 |
| Evidence That A Witness Is Not To Be Believed | |
| Rule 608(a) | 60-76 |
| Bad Acts -- No Conviction -- Rule 608(b). | 60-77 |
| Good Faith Basis. | 60-77 |
| Collateral Matter. | 60-78 |
| Defendant's Statements -- Rule 801(d)(2)(A). | 60-78 |
| Immunity Agreement Brought Out On Direct | |
| Rule 607. | 60-79 |
| Impeachment By Conviction On Nolo Plea | |
| Rule 609(a). | 60-79 |

ARGUMENT

| | |
|--|-------|
| Argument -- Generally. | 60-80 |
| Example -- Chart For Preparing Argument. | 60-81 |
| Style | 60-81 |
| Conclusion. | 60-82 |