

# A Revenue Opportunity without a Tax Increase



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# Automated Sales Suppression



Skimming cash sales – a very old tax fraud

- Double tills
- Phantomware
- Zappers
- Next generation

# What do you lose?



- Sales tax
- Business Income tax
- Personal Income tax
- Wage taxes
- ..... And more .....

# Where are you losing it?



- Restaurants
- Convenience stores
- Entertainment venues
- Anyplace with high volume cash transactions

# How much are you losing?



- Check the handout



# Who is the “bad guy?”



- Choose one:
  - (1) ECR/POS maker
  - (2) Business owner
  - (3) Installer
- You need to know this when you draft the law

# Track record so far



- Connecticut:
  - Stew Leonard's Dairy [\$17 million – 10 years – 1981-91]
- Michigan:
  - LaShish Restaurants [\$20 million – 4 years]
  - Installer: Theodore R. Kramer [\$500,000 – 2 strip clubs]  
– Sentencing March 15, 2011
- New York; Massachusetts; Washington; Georgia; Hawaii; Puerto Rico ... (maybe)...
- Quebec
  - In excess of 250 (litigated) cases

# How to read more?



- Google ----- “Ainsworth + Zapper”
- Richard T. Ainsworth
  - Boston University School of Law: Graduate Tax
  - ADP (International) Government Affairs
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