UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 22-CR-20290-BLOOM(s)

UNITED STATES OF AMERICA,

v.

ERIC DEAN SHEPPARD,

Defendant.
_________________________________/

UNITED STATES' AMENDED NOTICE OF INTENT
TO UTLIZE EXPERT TESTIMONY

COMES NOW, the United States of America, through the undersigned Assistant United States Attorney, and files this Amended Notice of Intent to Utilize Expert Testimony. Pursuant to Rule 16(B) of the Federal Rules of Criminal Procedure, the government provides notice of its intent to call the following expert witness in its case-in-chief at trial as set forth by Rules 702, 703, and 705 of the Federal Rules of Evidence.

The expert witness's qualifications are described in his curriculum vitae, which was provided to defense counsel separately via email. The witness, Mr. Philip Palmer, is a revenue agent and lead employment tax specialist with the Internal Revenue Service. The following is a summary of the expert witness's expected testimony:

Mr. Palmer is expected to testify about W-2 employees and IRS Form 1099 workers, or independent contractors. Specifically, Mr. Palmer is expected to provide testimony about the following:

(1) What the employer's responsibilities are for W-2 employees, such as to provide a W-2 form to each employee, and to file the W-2 form with the IRS;

(2) Explain IRS forms, such as W-2, Form 940 and Form 941s. A W-2 form reports wages paid to the employee by the employer, as well as withholdings. Employers are required to withhold from their employee's wages: (i) federal income tax; (ii) Social Security tax of 6.2% of wages; and (iii) Medicare tax of 1.45% of wages. In addition, the employer shares the Social Security and Medicare tax obligations of the employee and is required to pay the IRS – on a quarterly basis - the same percentage of Social Security tax and Medicare tax as the employee's share. The employer is required to report to the IRS the amount of wages paid on a quarterly employment tax return, IRS Form 941. The employer is also required to pay the IRS unemployment taxes on behalf of the employee on an annual basis, which is 6% of the first $7,000 in wages paid to the employee. The employer is required to report the unemployment tax payments on an annual basis on IRS Form 940.

(3) For an independent contractor, the employer is only responsible for issuing a Form 1099 to the independent contractor, for amounts paid in excess of $600 per year. The employer has no tax withholding requirements, and no Social Security, Medicare, or unemployment tax obligations on behalf of the independent contractor. An employer does not file an IRS Form 940 or 941 with the IRS for payments made to an independent contractor. It is the responsibility of the independent contractor to pay the IRS his or her federal income tax, Social Security tax and Medicare tax.

(4) Mr. Palmer is also expected to testify about the ways in which payments to a business partner from a partnership are to be reported to the IRS. For instance, a partner's share of current year income reflected on an IRS Schedule K-1 is to be reported as income on an IRS Form 1040 of said partner.

This witness has no publications or prior testimony to disclose.

09/11/2023
Date

Disclosure approved by: ______________
Philip Palmer

Respectfully submitted,

MARKENZY LAPOINTE
UNITED STATES ATTORNEY

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CERTIFICATE OF SERVICE

I CERTIFY that on September 11, 2023, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF.

By: s/Aimee Jimenez
Aimee C. Jimenez
Assistant U.S. Attorney