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was appealing the decision against him by an Ohio district court. It isn't known yet if Vaughn will pursue the matter any further.

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Mo Vaughn, the Boston Redsox slugger who used to launch baseballs off the Green Monster in Fenway Park, is in trouble with the Tax Monster. The Sixth Circuit Court of Appeals has just ruled that Vaughn is liable for more than \$1.1 million in taxes owed over a two-year span – despite being awarded judgments against financial

advisors who bilked him out of almost \$3 million (Vaughn, No. 14-3858, CA-6,

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also employed a tax accountant, David Krebs of the CPA Advisory Group, to advise him and assist in preparing and filing his tax returns.

The arrangement continued until 2008, but then it began to unravel when Vaughn dismissed his advisors and took a closer look at his finances. He found out that Marshal had embezzled more than \$2.77 million in funds from his accounts. Although Marshal had paid taxes on behalf of Vaughn in prior years, Vaughn also discovered that his tax bills were not paid for 2006 and 2007, years in which he was running a trucking company in Ohio.

Vaughn initiated a lawsuit against Marshal and RKM, alleging that they had failed to properly manage his finances and pay taxes on time. He has obtained judgments for \$1.5 million against Marshal and \$3.5 million against RKM, respectively. But Vaughn is still waiting to receive payment on these awards.

In the meantime, the nation's tax collection agency wants its money. It says the ex-player owes more than \$1.1 million in taxes for the two years in question. Vaughn claimed that his failure to pay tax was due to reasonable cause – not willful neglect – but the appellate court struck down the argument. “He knew that he owed taxes,” it said. “He knew that there was a deadline for such taxes to be filed and paid. But he failed to ensure that these responsibilities were fulfilled by his financial agents. This is not a penalty for something beyond his control; it is a penalty for his own immediate failure.”

This appears to be a harsh result, but the tax law doesn't carve out exceptions for individuals duped by their financial advisors. It's up to the taxpayer to make sure all the bases are touched.

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