

Finding Hidden  
Income / Assets

**During A Divorce**



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## **Finding Hidden Assets and Income During a Divorce**

What exactly is an "ASSET?" Well, to an accountant, an ASSET might be a Current Asset such as cash or other liquid item, an Intangible Asset such as a trademark, patent or copyright, a Long-term Asset such as real estate, a factory or equipment, or a Deferred Asset such as the future cost of insurance, rent or interest. Webster's dictionary would describe an ASSET as "anything of economic value that is owned by an individual or corporation that can be converted to cash." To us as divorce attorneys, though, ASSETS are generally the cash, bitcoin/cryptocurrency, jewelry, automobiles, real estate, business interests, retirement accounts, banking and investment accounts including stocks and securities that are to be divided between our clients and their spouses. Because we are seeing more and more people trying to hide their assets from the person they are divorcing, we as divorce attorneys have had to develop special skills at locating and identifying hidden assets. We have also had to develop knowledge at determining how to properly establish the value for a business that is part of a divorce.

Besides fighting over custody of the children, often the biggest issue in a divorce is how to divide all of the property, or assets, that were accumulated during the marriage. The only way that an equitable division of that property and those assets can be equal and fair, is if everything is put on the table and there is a full disclosure by both parties.

In Ohio, you will have to complete and include an Affidavit of Financial Disclosure (or some similar form) with your initial Complaint when you file for divorce. Your spouse will be required to complete one as well when they answer your Complaint. When you sign the Affidavit in the presence of a notary, you will be attesting to the fact that you have disclosed all of your assets, income, financial holdings, and business interests to your spouse. If you or your spouse go on to hide assets, fail to disclose income, or play games with your business records, you may be held in contempt of court and can be punished by the Judge for lying to the Court. Despite the fact that they can be penalized by the Judge handling their divorce case, parties in a divorce still often attempt to hide assets and misrepresent their finances to the Court.

Knowing that people hide assets and misrepresent their finances you need to retain an attorney who is experienced and comfortable in using the latest technology, databases, and web resources to dig for evidence of asset hiding. That attorney needs to be as creative, tech savvy, and aware of the methods used to shield assets and undervalue businesses as your deceitful spouse. In special situations where records need to be reviewed by someone with even more expertise, your attorney can use a forensic accountant or

other expert to help discover fraud and misrepresentation. A forensic accountant is an accountant who is trained to look into the accounting practices of a business or individual in order to gather evidence that can be used in Court. We have also utilized a bitcoin/cryptocurrency lawyer to assist with this esoteric digital asset.

There's a good chance that you found our firm's website, and this article in particular, because you performed an online search on this subject. Therefore, you probably have many unanswered questions about these issues and the role they can play in your divorce. For that reason, our attorneys have assembled the following questions and answers designed to help answer many of your questions about hiding assets and misrepresenting income. If, after reading this article, you still have unanswered questions or want to schedule an appointment, please call our office at (937) 293-2141.

### **Why would someone heading towards a divorce want to hide assets?**

When a couple divorces in Ohio, generally everything they accumulated during the marriage, and that includes cash, real estate, vehicles, personal property, retirement, investments, and debts, is going to be divided equally unless the parties agree otherwise or unless a judge orders some other equitable division. That reality provides people with plenty of motivation to hide assets from their spouse.

A deceitful spouse may try to hide cash and assets or under-report a business interest to try and paint a picture that there is much less to divide than there actually is. The deceitful spouse knows that the less cash or assets there are to divide, or the less valuable the business may appear to attorneys and accountants, the better it will be for a deceitful spouse. This is because any spousal support, child support or division of assets will be based on inaccurate and false lower figures. The ultimate goal of the person hiding assets is to walk away from the divorce owing much less to the truthful party than they would have if accurate records of income and assets were known by the attorneys.

Maybe a spouse hides assets and income as a way to get revenge on the other spouse for some infidelity. Maybe the spouse is afraid of not having enough money to live on after a divorce. Maybe they want to hurt the other person. Maybe they are just greedy. Whatever the reason, hiding assets is illegal, immoral, unethical, and will subject the deceitful spouse to possibly major penalties from the Court if discovered.

### **Doesn't someone risk being punished by the Court if they are caught trying to hide assets or lying about income or their business?**

The sad reality is that even when a spouse is caught lying about their assets or income, the penalty they receive from a Court is often just a slap on the wrist. Overworked and busy judges and magistrates sometimes seem to have an attitude of "so what if he is lying. Of course he is lying. Prove it," or "everyone lies about their income or assets." That philosophy can prove to be extremely frustrating to those of us who work hard to uncover financial falsehoods. When we discover that our client's spouse has lied to the Court by hiding assets or misrepresenting income, it then becomes our job to push the issue with the Judge and to stress that such actions must not be condoned.

Gaetano Ferro, an attorney who is a past president of the American Academy of Matrimonial Lawyers, charges that, "The courts don't punish the bad person. To that extent, they (the bad people) have an incentive." Ferro believes that the thought process of those dishonest/bad spouses goes something like this: "Hey, if I get away with it, I am ahead, and if I don't get away with it, it costs me some legal fees. But all she is going to get is what she would have gotten anyway. "

Nonetheless, our attorneys and staff at Holzfaster, Cecil, McKnight & Mues continue to use their diligence and expertise to uncover the hidden assets, actual income, and obtain appropriate valuations of business interests of our client's spouses.

### **How can I find out if my spouse is hiding assets?**

If you suspect that your spouse is being dishonest about their income or has failed to fully disclose their assets, you need to consult an attorney as soon as you believe that a divorce may be on the horizon. Among other things, the attorney needs to be experienced in both locating and identifying assets as well as in the proper valuation of business interests. Your attorney

should partner with you to develop a strategy that will help you to obtain and preserve as many records, tax returns, financial statements, and as much documentation as possible regarding all of your assets, investments, and actual business value. In especially complicated situations or where a spouse's holding might be extensive, your attorney may hire a forensic accountant or other expert to closely review tax records, accounting ledgers, credit card statements, bank statements and share transfers.

### **Will it add much to the cost of my divorce if we push to find hidden assets?**

Unfortunately, in a battle to try and prove someone is hiding assets, proving fraud is labor-intensive and often an expensive proposition. The burden is on the cash-poor spouse to prove the misconduct. In order to prove that someone is lying about their assets or worth, someone must physically dig through statements, bills, and other financial records. That process can potentially add a great deal of expense to your divorce depending on the difficulty obtaining the records and the volume of them. Ultimately, the financially weaker spouse will have to decide if the cost of potentially obtaining more of what they are due outweighs the cost of attempting to discover that amount.

### **Isn't it primarily men who hide assets?**

No. Hiding assets seems to be done frequently by both Husbands and Wives. Interestingly, in November of 2007, Forbes.com published an article entitled "The Rich and Unfaithful" that described the results of a study of 433 people whose wealth ranked between \$1 million to over \$10 million. One finding from that study was that 56% of women said they had hidden or protected assets compared to just 36% of men.

### **What are some signs that my spouse may be hiding income or assets in anticipation of divorce?**

- Change in Family Finances – Watch for sudden changes in the way your family's finances are handled. If you have always handled the finances, a request by your spouse to take over those duties may be a sign of something more sinister than a desire to help you lessen your workload. Also, watch for changes in investment accounts or long-time savings accounts. Finally, if you become aware of an atypical sale of stock or IRA rollover, make sure there are legitimate reasons for such actions and that you are informed of those actions as they happen. Ask your spouse to sit down with you at least each quarter to review your financial picture.

• Change in the Mail Delivery that is Coming to Your Home – If your bank or credit card statements have always come to your home, but your spouse suddenly redirects those items to some other address, such as to their workplace, investigate immediately and obtain copies of those statements as soon as possible. Those statements can show purchases, cash advances, or withdrawals that might be made to hide assets or in anticipation of filing for divorce.

• Your Spouse is Suddenly Short on Cash – If your spouse is recently always short of cash, it may mean he or she is hiding assets or setting money aside for a planned divorce or moving away from the home.

• Your Spouse's ATM Habits Change - Pay close attention to any increases in ATM withdrawals. When someone is hoarding money or transferring money to friends or family to hold, both the frequency and amount of their ATM withdrawals often increases.

• Your Spouse Wants to Defer Part of their Salary or Bonus – A dramatic decrease in your spouse's salary may indicate that your spouse has decided to defer income and thereby reduce their salary until after the divorce is final. If you find evidence that your spouse has uncharacteristically placed part of their salary or bonus into a deferred account, they are probably doing so in an attempt to reduce their present income. Those monies can be deferred during the divorce and distributed to them once the divorce process is over. If you discover that your spouse is deferring any earnings or bonus, make sure your attorney is notified.

• Your Spouse Overpays the IRS, Property Taxes, or Other Creditor – Why would your spouse intentionally overpay any of these creditors? Typically, it is because an overpayment to any one of them would reasonably appear to be an accidental oversight. Plus, intentionally overpaying a creditor is a safe way to temporarily divert money and lower cash on hand until after the divorce is final. You would probably never think to contact these types of creditors to check payment history which is why people who are hiding assets use this ploy. Realize that such a



payment, especially during a divorce, would be a clear attempt to hide money from you and your attorney.

- Your Spouse Suddenly Starts Exhibiting Defensive Behavior – If your spouse suddenly becomes defensive or controlling about money-handling, financial decision-making, or secretive about the finances, it could be because he or she is playing tricks with their assets or business and wants to shift any attention that is being directed towards the finances. Investigate!

- Suspicious Travel Habits – If your spouse is all of a sudden, even in the name of “business”, travelling out of the town or out of the country, be alert. Cash and other assets that are transferred to a bank outside your town, the U.S., or to off-shore accounts are very difficult to find. Repeated trips to new locations may be a signal that they have opened such accounts and are regularly making trips to manage or personally deposit assets into those accounts.

### **Are there any unique kinds of assets I might overlook that my spouse may try and hide or place into their name only?**

Things that may hold little special monetary value to you may be an asset that holds high monetary value to someone else. Also, items that you might not even consider to be an asset should be protected and addressed when dividing assets in any divorce proceeding. Examples of these items include:

- Frequent Flyer Miles, Speedway Points, Etc. – More and more divorce courts are allowing these types of items to be considered as marital assets that need to be addressed in the division of property. Make sure your attorney is informed of any of these items that you and your spouse share or that your spouse possesses.

- Sports and Entertainment Seats – Do you or your spouse have Ohio State Football Season tickets or Dayton Flyer Basketball tickets? What about those choice Broadway Series seats at your local playhouse? Too many people forget about the enjoyment these provide and the negotiating value that a marital interest in such seats might inherently hold. Make sure that you notify your attorney of any ticket rights that belong to your family or your spouse when discussing your divorce.

- Coin or Hobby Collections – To you, your spouse’s odd or quirky collection may be something you never want to see again. However, it may be a place where your spouse has hid a substantial amount of money through “investing”. Remember, just because *you* have no interest in the latest prices or collectability of those items doesn’t mean they aren’t valuable and should not be considered as marital property in your divorce.
- Tax Refunds – Be sure to inform your attorney of whose name and whose account a refund check will be deposited into.
- Bitcoin and Cryptocurrency – These types of digital assets are often kept secretively and are forms of property like stocks or bonds that can fluctuate wildly in value. Exchange of the coins creates taxable income. Concealing them could result in your spouse paying lower alimony and him/her retaining your share of these valuable assets.
- Time Shares – You and your spouse may have purchased a time share during your marriage. This will be considered a marketable asset that must be addressed during the division of property.
- Cash Value of Life Insurance – Do you have any whole life or variable life insurance policies? If so, tell your lawyer so any cash surrender value can be ascertained.
- Patents, Copyrights, and Royalties – If these or something similar to these exist, they were often financed or created with marital monies. That means they should be considered marital property.

### **What should I know about bitcoin or other cryptocurrencies?**

Bitcoin and other cryptocurrencies are digital assets which are treated as "property" (not currency) for division by the divorce court. Exchange or sale of the coin is generally a taxable event and creates income or losses. See, *IRS Notice 2014-21 with 16 FAQ's attached*. Ownership should be voluntarily disclosed in the financial disclosure documents as it could affect both spousal support and property division.

It is estimated that in 2018 the total market capitalization of cryptocurrencies may well hit \$1 trillion dollars. An estimated 8% of Americans own bitcoin or another form of cryptocurrency. Over 17% of millennials own some type of cryptocurrencies. Men are twice as likely as

women to own it. While there are over 1,300 types of cryptocurrencies worldwide, bitcoin accounts for over 50% of it.

While many believe these type of assets are "untraceable", they are not. Reviewing tax returns, bank statements, credit card statements and conducting proper discovery will likely provide the necessary ownership evidence. The best tip we can offer is to try to learn your spouse's Bitcoin address(es) and document and copy everything that you can. Our lawyers know what information to request from the other side and where and how to find what is needed for Court. In addition, we have teamed up with several consultants and attorneys who are experts in bitcoin and other cryptocurrencies and available when needed.

### **What can I do to be proactive in finding out if my spouse is hiding assets or preparing for divorce?**

- Be Active in Your Finances – Starting as early in your marriage as possible, it is important to make sure that you are an active participant in all of the financial affairs of your family. Make sure that you have full knowledge and access to all marital assets, liabilities, income and expenses. Know where copies of all income tax returns, bank and credit card statements and other financial records are kept. By keeping on top of the finances, you will be more apt to quickly notice any disparity or unusual activity in any of your financial affairs. Make sure that you have your own copies of financial records stored in a safe place outside of the home. Do not let your spouse know where you keep such records.
- Retain an Experienced, Knowledgeable and Aggressive Attorney Who Will Fight to Protect Your interests – Whether it's battling on a football field or in Divorce Court, the best defense is a good offense. You get one chance to handle your divorce case and to do it the right way. As soon as you start suspecting that your spouse may file for divorce or that you may have to file, you need to locate, then meet with, and ultimately hire an experienced, aggressive attorney who can help guide you through the divorce process. You need to feel confident that your attorney will be fighting for your rights and protect your interests every step of the way.
- Gather Records – Gather tax returns for the previous 5 years, pension/IRS/401k statements, statements from your bank and credit card companies, broker statements, stock records, mortgage records, tax records, etc. If you believe that your spouse owns bitcoin or other cryptocurrency, try to find his/her public bitcoin addresses as well as all cryptocurrency public keys. We can assist you with more details of what

you should look to obtain. Store copies of them outside of the home in a secure place not known by your spouse.

- Check Receipts – Because many stores now let you get Cash Advances when you make purchases, be on the lookout. Your spouse may be adding \$20.00, \$40.00, or even more to every purchase and you will never know this unless you compare receipts to statements.
- Check computers, cellphones, notes, letters, emails, texts, and phone records - Make sure you check these items for any evidence of an intent to hide assets. While hiding assets has become almost effortless due to the ease with which we can now move money via a click of the mouse, such movements leave a digital residue. If collected quickly and professionally, those digital footprints can reveal where funds went or, at least, the very instant they left your safe, domestic accounts.

Be on the lookout for any communication to a broker, significant other, personnel department, or family member that deals with moving cash or stocks from one account to another, especially without your knowledge or permission as the spouse of that individual.

- Check Investment and Stock Records – These can show you if stocks, bonds or other investments have been purchased (in an attempt to hide cash), or sold (to dilute holdings or possibly to buy something else of value that is easier to hide).
- Check Your Credit Report – You can easily get a free copy of your credit report online. Get one and check it closely for any unfamiliar accounts or irregular activity.

### **How can I be proactive in protecting myself against a spouse who might be planning on hiding assets?**

- Open Accounts in Your Own Name – If you share a savings account with your spouse, withdraw some of the money in the account and deposit it into a new account in your own name at a different bank. Open a checking account in the same way. Stay alert to evidence of similar actions on the part of your spouse.
- Hide Your Valuable and Keepsake Personal Property – If you have concerns that your spouse may try and steal, damage or destroy any of your heirlooms or personal property, find a safe place to hide your valuables. That safe place can be a safe deposit box in your name only, the home of a trusted friend or family member, your attorney's office, or any other place where your spouse doesn't have access.

- Mutual Assets – If you anticipate a hostile divorce, your spouse may try and deplete your joint assets rather than allow you to get your portion in the divorce. The most common joint assets are joint checking accounts, investment accounts and retirement or 401(k) accounts that one spouse might try and empty right before they file for divorce. Consult a Family Law attorney as soon as you believe that your spouse may be planning to divert or use up your joint assets.
- Home Equity Lines of Credit – Contact the bank and attempt to “freeze” any future loans unless requested by both parties jointly.
- Identify Sources of Cash – In order to protect your legal rights if you are going to be involved in a contested divorce, you will need considerable money. If you anticipate that your divorce will be hostile, start identifying the financial resources you have at your disposal right now. Those sources can include your own separate pre-marital property (savings account, stocks, bonds, mutual funds), borrowing against your retirement, borrowing money from family members, or getting a second mortgage.

Be sure to talk with your accountant about any tax consequences or other implications of selling stocks or mutual funds, borrowing against the funds in your retirement account, or taking a second loan on the real estate you own.

**My spouse and I have accumulated a substantial amount of money, stocks, real estate, and investments over the years. On top of that, we have traveled extensively. How can I know if my spouse has hidden assets in the banks of one of the countries we have traveled to, or in some “off-shore” account?**

Professionals, such as private investigators or forensic accountants, know how and where to dig for information and can be very helpful in finding assets that have been hidden abroad or off-shore. They can also track down payments made to a spouse who is temporarily travelling outside the country where American courts have no authority to order banks and businesses to comply with handing over records. It is very difficult to track assets and money once those assets leave the United States, so act quickly if you believe your spouse has moved, or is about to move, assets. Copy his/her passport so you can prove the travel destinations abroad and the travel dates.

## **My spouse and I are not millionaires. Should I even be worrying about my spouse hiding assets or lying about income?**

You don't have to be a millionaire to worry about a spouse hiding assets. As stated above, generally you are entitled to one-half of the cash, property, investments, retirement monies and any other assets that you and your spouse accumulated during your marriage. Any attempt by one spouse to deceive the other spouse and the court about assets and finances is improper as well as unethical.

Remember, the only opportunity you have to fight for what you are entitled to, after years of being married to your spouse, happens during your divorce process. Once your divorce is final, your opportunity to discover the truth about your spouse's income, assets, and business is pretty much gone. It's up to you and your attorney to push for full disclosure of your spouse's assets and income because no one else will.

Regardless of your net worth, you *should* be concerned about whether your spouse is disclosing all of their assets and income as well as exactly what the value of their business interest may be. If you anticipate a divorce in the coming months, hire an experienced, knowledgeable attorney to ensure the playing field is level.

## **My spouse owns a business and I just know they are being dishonest about their income and their assets. What can be done?**

When either party is self-employed or owns a business, if there is a "will" to hide assets, there are even countless more "ways" and opportunities to shield assets. Because of that reality, your gut instinct may very well be correct, especially if you were privy to your spouse hiding assets or under-reporting income when you were together.

If you are aware of any illegal or immoral activity (especially in regards to hiding assets) that your spouse has been involved with, document what you can and notify your attorney. Make photocopies of all documents or snap photos of each page on your cell phone.

## **What are the most common ways my business-owning spouse might be hiding assets or lying about their income?**

A few of the most common ways to hide business assets or to understate business income are listed below:

- Skimming cash from the business – By charging cash for certain items or encouraging clients to pay in cash for services rendered, a business owner may be able to siphon off a considerable amount of untraceable cash.
- Making salary payments to a non-existing employee – Writing checks to a non-existent employee is a way to dilute cash on hand and ultimately the value of the business; the checks are held and then destroyed or voided after the divorce.
- Paying unusually large salaries to significant others or family members – A similar stunt involves “paying” large salaries to a father, mother, girlfriend or family friend for services that were never actually performed. Depositing money with those individuals as a no-interest loan or for safekeeping is another common way to reduce cash-on-hand. The salary or loan is later given back after the divorce.
- Delays in signing long-term business contracts until after the divorce – If there is intent to undervalue a business by an owner, postponing entering into any long-term business contracts is an easy way to minimize the value of the business. To someone performing a valuation of the business, the value of the business will appear to be less than it would be with the guaranteed income from any long-term contract included. Typically, as soon as a divorce is over, the recently divorced spouse/business owner will then enter into any contracts for future business that they had delayed entering into or signing. The value of the business can increase rapidly and substantially.
- Intentionally Neglecting the Business or Allowing it to Decline – In this instance, a business owner can stop soliciting new business or do other things that lets income dwindle down to almost nothing. While allowing one business to decline, spouses have even been known to actively attract clients to their new competing business that the spouse is unaware of.

### **Are records of certain types of businesses easier to manipulate than others?**

Absolutely. Construction companies, restaurants, bars, retail stores, doctor or dental offices, law practices, and auto dealerships are just a few; but any

business that is owned by a limited number of individuals or family members are especially susceptible to manipulation of the financial records.

### **How do I prove that my spouse is lying about their business?**

It's amazing how fast a small or family-owned business can start losing money when a divorce or child support hearing is on the horizon. Not surprisingly, the spouses of our clients report that business turns sour in almost every divorce our firm handles. That reality is why you need to hire an attorney as soon as you even start considering divorce, and even sooner if you start believing that your spouse may be preparing for a divorce.

An attorney can help establish a strategy to recover the needed documentation to prove your case. But it is often much easier (and less costly) to accomplish if the client becomes actively involved in helping to gather the documentation to prove the hiding of assets and/or the undervaluation of a business.

### **I haven't yet filed for divorce, but I think my spouse will start hiding assets as soon as I do. What should I be doing now?**

If you think that your spouse may try to hide or minimize assets, start investigating your household and business finances before starting divorce proceedings. If you are still living with your spouse, obtain or make copies (or take photos on your cell phone) of important documents such as income tax returns, bank account statements, and pay stubs. Keep those documents in a safe place outside the home, such as in a safe deposit box, with your attorney, or with relatives.

### **Why would someone agree to a settlement if they believe that their spouse might be hiding assets?**

As you might imagine, the energy and expense necessary to wage even a minor search for hidden assets can be exhausting on a spouse. Often, after facing months of delays, stonewalling, and even outright lies, the innocent spouse can be beaten down emotionally. Sometimes they will just say "enough is enough" and accept a settlement rather than continue on to a lengthy and expensive trial. They may believe that what they will get at trial might not be much more than they are willing to settle for, but without the expense and stress of a trial.

### **What are some ways that a business owner can manipulate sales records to under report his or her income?**

A roofer may offer customers a discount if they pay in cash and don't request a receipt. That will allow him to avoid claiming the cash as income.



The divorcing owner of a clothing shop may stop taking a paycheck from her business so that she can claim no income from the business. A bar owner can stop reporting many of the cash sales from his business, pocket the cash sales he doesn't report, and then claim a downturn in business due to much lower sales.

### **What are some things that I, my attorney, or my accountant might need to examine to determine if my "business owning" spouse is hiding assets?**

Working with an attorney or accountant who has experience in both identifying, locating and interpreting records is crucial in exposing schemes designed to hide income and shield assets. At this law firm, when we suspect that business income is being under reported, we commonly subpoena the following items:

- Third Party Records – The records you obtain directly from an outside source, such as a bank or credit card company, are almost impossible to manipulate, so they are the most reliable. If a spouse claims low sales, deposits might show otherwise. These records can also show any cash advances taken on company credit cards.
- Billing Records – Doctors, dentists, lawyers, and other professionals are usually meticulous record keepers because they want to bill clients for all services they provide. That is why actual source records or time sheets can paint a very different picture than the financial statements themselves. Anyone can manipulate financial statements, but it takes a much more labor intensive and elaborate scheme to manipulate the underlying day-to-day timekeeping and procedural records.
- The "Cash" versus "Credit" Sales History – Once a business has been open for some period of time, the percentage of sales that are either cash or credit don't usually vary much. That is why a change in this ratio may be a red flag to determine that a business owner is hiding revenue/skimming cash. When a much higher than normal percentage of sales starts to appear as credit card sales, that might mean cash sales are being under reported because the cash is being pocketed and those sales are not being reported.
- Any Capital Improvements – Around the time of a divorce, business-owning spouses often claim that their business is operating at a loss or that sales are down. Any recent purchases of new buildings, machinery, or land for the business, however, are common signs of growth or

expansion and should be looked at very closely. Tax records will show if such items have been purchased and should be investigated further. Similarly, purchases of big ticket items for the business must be examined to determine if they were actually necessary replacements of broken and outdated equipment, or if purchases were intended to hide assets or were made in anticipation of growth or pending long-term contracts.

- Costs in Relation to Revenue – In almost all businesses, there are certain costs or expenses that directly fluctuate with sales/revenue. In a bar the costs might be the beer, with a car wash it might be the cost of water and soap, and with a restaurant the expense that fluctuates with sales would be food cost.

When a business owner under-reports their sales to avoid child support or alimony, they often make one critical mistake: they still report all of their business expenses. They may be quick to hide income, but they typically don't want to miss out on any expense deduction. That is important because we can find hidden income in a business by isolating expenses that should be tracking with sales based on historical tax returns and financial statements from a business. If the variable expenses which should track with income are suddenly much higher than expected, a strong case can be made for unreported earnings, a.k.a. missing cash.

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## **Conclusion**

Don't assume that your spouse will be honest, will play fair, or that they will conduct themselves in the same truthful, upstanding manner as yourself. A divorce is an adversarial legal battle. When children and/or property (no matter how much or how little) are involved in a divorce, people often behave unexpectedly, surprisingly, and out of character.

As you can see, if you are headed towards a divorce and believe that your spouse is either hiding assets, lying about their income, or undervaluing their business interest, it is crucial that you obtain an experienced, aggressive attorney who can adequately represent you in your battle to uncover the truth and keep what is already yours. Call our office today at (937) 293-2141 and make an appointment with one of the Family Law Attorneys at Holzfaster, Cecil, McKnight & Mues.