

## FRAUD EVIDENCE CHART

No.	BADGE OF FRAUD	EVIDENCE
1	Understatement of Income	
2	Inadequate maintenance of records	
3	Implausible or inconsistent explanations of behavior	
4	Concealment of assets or income	
5	Failure to cooperate with tax authorities	
6	Engaging in illegal activities	
7	An intent to mislead which may be inferred from a pattern of conduct	
8	Lack of credibility of the taxpayer's testimony	
9	Failure to file tax returns	
10	Filing false documents	
11	Failure to make estimated tax payments	
12	Dealing in cash	

Evidence may be witness testimony or documents, such as taxpayer records