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Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.

Exb 4

Internal Revenue Service

District
Director

Department of the Treasury

4750 West Oakey Blvd., Las Vegas, NV 89102

Person to Contact:
Renee Swall
Telephone Number:
(702) 455-1034
Refer Reply to:
CATS:SPf:T:RS
Date:

APR 16 1992

Joseph Fallini, Jr.
Twin Springs via
Tonapah, NV 89049

RE: The Estate of Helen L. Fallini

Dear Mr. Fallini:

This letter is written in response to past conversations with you and our earlier letter to you dated March 17, 1992. In that letter the Service requested collateral in the form of bond or lien to allow the estate to continue with the IRC 6166 election to pay the estate tax in installment payments.

We have discussed issues that are peculiar to the ranching operation of the estate and the effect the lien would have on the continued operation of the estate. In light of these concerns, the Service would agree to forego the requirement of the lien if the estate could pay approximately half of the estate tax owing at this time. This would require a payment of $43,000.00 by July 1, 1992.

Please let us know of your decision by May 15, 1992. If you have any questions, please call me at the above telephone number.

Sincerely,

R. Swall

Renee Swall
Estate Advisor

ASSEMBLY NATURAL RES., AGRICULTURE & MINING
DATE: 5/12/03 ROOM: 3161 EXHIBIT N 1-9
SUBMITTED BY: Joe Fallini

Joe B. Fallini Jr.
Twin Springs Ranch
Tonopah, Nevada 89049
May 3, 1992

Internal Revenue Service
4750 West Oakey Blvd.
Las Vegas, Nevada 89102

RE: The Estate of Helen L. Fallini (CATS:SPf:T:RS)

Dear Renee Swall:

This letter is in response to your letter dated April 16, 1992. The Internal Revenue Service requested collateral in the form of bond or lien to allow the estate to continue with the IRC 6166 election to pay the estate tax in installment payments.

After researching the possibility of bonding we found the interest on the bond to more than what we could afford.

We also can not live with the fact of a lien on the ranch to a government that has always tried to destroy our family cattle operation.

We have dealt with a total comprehensive tax audit. We have dealt with numerous law suits with the Bureau of Land Management. We were forced to water the Wild Free Roaming Horses at our total expense of over $832,000.00. We were awarded court costs for defending ourselves against the Bureau of Land Management, of which we never received.

I find it quite strange when the Federal Government owes us money there is no bond or lien to protect our ranch.

In your letter of April 16, 1992, the Internal Revenue Service would agree to forego the requirement of the lien if the estate could pay approximately half of the estate tax owing at this time.

You also stated this would require a payment of $43,000.00 by July 1, 1992.

We feel we have no alternative but to elect to pay the $43,000.00 by July 1, 1992. To do this I have already canceled a much needed operation that I need. Who knows, probably without it, you will have another estate sooner this way.

We can also dip deeper into my children collage fund.

You requested my decision by May 15.1992.

N 2 of 9

This letter of May 3, 1992 is a commitment to pay the $43,000.00 by July 1 1992, for the Estate of Helen L. Fallini.

Joe B. Fallini Jr.

Joe B Fallini Jr

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enc: 1 (NINTH CIRCUIT RULES FOR FALLINI)

N 3of9

NEVADA
RANCH
SERVICE

Estate of Helen L. Fallini
Appraisal Update
April 23, 1990

UNITS	ESTIMATED VALUES JOINT INTEREST	ESTIMATED VALUES SEPARATE PROPERTY
Cattle Ranch	$1,182,000	
Headquarters & Buildings		$ 50,000
Farm	$ 159,000	
Warm Springs Station Improvements	$ 10,000	
Livestock		$ 73,000
Equipment		$ 26,000
Totals	$1,351,000	$149,000
Combined Total	$1,500,000	

As indicated, this appraisal Update is under the same appraisal certificate, assumptions and limiting conditions as the original appraisal report, except as specifically revised in Exhibit I. It includes any water rights, building improvements, range improvement developments and BLM grazing rights used in conjunction with the deeded land.

This appraisal Update of the August 1980 appraisal report is not and should not be considered as a separate appraisal report. It is simply an extension of the original appraisal report with a resulting estimate and opinion of the "Market Value" as of April 29, 1989.

I trust that the information contained herein is satisfactory and adequate for your needs. If I can provide further details or answer any questions concerning the information as presented herein for you, please feel free to contact me.

Sincerely,

Al Steninger

ALS/tvt
Attachments: Exhibits I through XII

N 4 of 9

VALUATION

The Fallini Ranch property subject to this appraisal report includes:

Fallini Cattle Ranch
Warm Springs Station
Cattle owned by Joseph B. Fallini, Sr.
Equipment

FALLINI CATTLE RANCH

The cattle ranch includes the real property and improvements used in conjunction with the ranching operation. I concur with C.M. SPURLOCK's valuation presented in Appendix 12. The cattle ranch had a market value on June 5, 1979 of:

ONE MILLION ONE HUNDRED FIFTY-FIVE THOUSAND DOLLARS
($1,155,000.00)

The ranch is comprised of three basic elements of value:

<u>TWIN SPRINGS RANCH</u> -- is the headquarters. The 722 acre parcel and improvmenets are the hub of all ranch operations.

<u>RANGE IMPROVEMENTS</u> -- supporting the cattle operation are extensive, functional, well distributed throughout the range, and well maintained. The improvements cost of $577,000 and are mostly in good workable condition. Replacement cost for the improvements would be substantially more than their original cost.

<u>GRAZING PRIVILEGES</u> -- in the private BLM allotment are all based upon water owned by the Fallini Ranch. Control of the water is essential to make use of the 25,730 Animal Unit Months of BLM grazing privileges.

Ranch Component Values

Ranch Component	Value
Twin Springs Ranch	$ 90,400.00
Range Improvements	550,000.00
BLM Grazing Privileges 25,730 AUMs at $20/each	514,600.00
TOTAL: ---------	$1,155,000.00

00012 IRS EMPLOYEE 2920100852

REQUESTED 10-13-94 PRINT DATE 10-14-94

ORM NUMBER: 706 TAX PERIOD: 0000

TAXPAYER IDENTIFICATION NUMBER: 530-26-0465V

JOSEPH B FALLINI SR ESTATE
JOSEPH B FALLINI JR PERS REP
TWIN SPRINGS VIA
TONOPAH NV 89049-0000

--- ANY MINUS BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE: 0.00
ACCRUED INTEREST: 0.00 AS OF 11-22-93
ACCRUED PENALTY: 0.00 AS OF 11-22-93

ACCOUNT BALANCE
PLUS ACCRUALS: 0.00

TAX PER TAXPAYER: 315,842.00

9-23-80 RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER)
1-10-80 PROCESSING DATE

TRANSACTIONS

ODE	EXPLANATION	DATE	MONEY AMOUNT (IF APPLICABLE)
150	RETURN FILED AND TAX ASSESSED	11-10-80	315,842.00
670	SUBSEQUENT PAYMENT	03-04-80	124,712.00-
340	INTEREST ASSESSED	08-31-81	7,645.20
290	ADDITIONAL TAX ASSESSED	08-31-81	0.00
670	SUBSEQUENT PAYMENT	08-21-81	7,645.20-
340	INTEREST ASSESSED	03-01-82	7,645.20
290	ADDITIONAL TAX ASSESSED	03-01-82	0.00
670	SUBSEQUENT PAYMENT	02-26-82	7,645.20-
300	ADDITIONAL TAX ASSESSED BY EXAMINATION	05-03-82	0.00
340	INTEREST ASSESSED	02-28-83	7,694.16
290	ADDITIONAL TAX ASSESSED	02-28-83	0.00
670	SUBSEQUENT PAYMENT	03-07-83	7,694.16-
300	ADDITIONAL TAX ASSESSED BY EXAMINATION	09-19-83	0.00
670	SUBSEQUENT PAYMENT	03-13-84	3,910.76-
670	SUBSEQUENT PAYMENT	03-13-84	3,910.76-
340	INTEREST ASSESSED	03-11-85	15,603.30
290	ADDITIONAL TAX ASSESSED	03-11-85	0.00
670	SUBSEQUENT PAYMENT	03-05-85	3,890.89-
670	SUBSEQUENT PAYMENT	03-05-85	3,890.89-
340	INTEREST ASSESSED	03-03-86	7,799.72
290	ADDITIONAL TAX ASSESSED	03-03-86	0.00
670	SUBSEQUENT PAYMENT	02-18-86	13,397.10-
670	SUBSEQUENT PAYMENT	02-18-86	13,379.10-
670	SUBSEQUENT PAYMENT	03-11-86	3,899.86-
670	SUBSEQUENT PAYMENT	03-11-86	3,899.86-
340	INTEREST ASSESSED	03-02-87	6,707.03
290	ADDITIONAL TAX ASSESSED	03-02-87	0.00
670	SUBSEQUENT PAYMENT	02-27-87	3,353.52-

****************************CONTINUED ON NEXT PAGE*******************************

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IRS EMPLOYEE 2920100852

	SUBSEQUENT PAYMENT	03-02-87	3,353.51-
40	INTEREST ASSESSED	02-29-88	6,722.44
90	ADDITIONAL TAX ASSESSED	02-29-88	0.00
70	SUBSEQUENT PAYMENT	02-22-88	12,614.58-
70	SUBSEQUENT PAYMENT	02-22-88	12,614.58-
40	INTEREST ASSESSED	03-06-89	6,691.58
90	ADDITIONAL TAX ASSESSED	03-06-89	0.00
70	SUBSEQUENT PAYMENT	03-14-89	12,232.32-
70	SUBSEQUENT PAYMENT	03-14-89	12,232.32-
41	ABATEMENT OF INTEREST	05-22-89	753.49-
90	ADDITIONAL TAX ASSESSED	05-22-89	0.00
40	INTEREST ASSESSED	02-26-90	5,195.76
90	ADDITIONAL TAX ASSESSED	02-26-90	0.00
70	SUBSEQUENT PAYMENT	02-22-90	3,089.73-
70	SUBSEQUENT PAYMENT	02-22-90	3,089.73-
70	SUBSEQUENT PAYMENT	01-29-90	37,000.00-
72	CORRECTION OF 670 PROCESSED IN ERROR TO ANOTHER BUSINESS ACCOUNT	01-29-90	37,000.00
40	INTEREST ASSESSED	02-18-91	5,155.61
90	ADDITIONAL TAX ASSESSED	02-18-91	0.00
70	SUBSEQUENT PAYMENT	02-11-91	15,792.10-
70	SUBSEQUENT PAYMENT	02-11-91	2,577.82-
0	SUBSEQUENT PAYMENT	02-11-91	2,577.82-
0	SUBSEQUENT PAYMENT	02-11-91	15,792.10-
0	SUBSEQUENT PAYMENT	01-30-92	1,937.79-
0	SUBSEQUENT PAYMENT	01-30-92	1,937.80-
0	SUBSEQUENT PAYMENT	01-30-92	15,792.10-
0	INTEREST ASSESSED	01-30-92	15,792.10-
0	ADDITIONAL TAX ASSESSED	05-04-92	3,875.59
0	SUBSEQUENT PAYMENT	05-04-92	0.00
0	SUBSEQUENT PAYMENT	02-26-93	15,792.10-
0	SUBSEQUENT PAYMENT	02-26-93	15,792.10-
0	SUBSEQUENT PAYMENT	02-26-93	1,285.94-
0	INTEREST ASSESSED	02-26-93	1,285.93-
0	ADDITIONAL TAX ASSESSED	05-31-93	2,571.87
0	INTEREST ASSESSED	05-31-93	0.00
0	ADDITIONAL TAX ASSESSED	11-22-93	852.34
0	SUBSEQUENT PAYMENT	11-22-93	0.00
0	SUBSEQUENT PAYMENT	11-02-93	15,792.10-
0	SUBSEQUENT PAYMENT	11-02-93	15,792.10-
0	SUBSEQUENT PAYMENT	11-02-93	426.17-
		11-02-93	426.17-

TAX + INTEREST

437,019.81

~~143,178.30~~ = 39% of 270,167.80

~~560,198.11~~ JBF

TOTAL JOE & HELEN $ 707,187.61

/001 IRS EMPLOYEE 2920100852

REQUESTED 12-06-94 PRINT DATE 12-07-94

ORM NUMBER: 706 TAX PERIOD: 0000

TAXPAYER IDENTIFICATION NUMBER: 530-32-6238V

HELEN L FALLINI ESTATE
JOSEPH FALLINI JR PERS REP
% JAMES L PFROMMER
HC 76 BOX 1100 TWIN SPRINGS RANCH
TONOPAH NV 89049-9760-008

<<<<POWER OF ATTORNEY/TAX INFORMATION AUTHORIZATION (POA/TIA) ON FILE>>>>

--- ANY MINUS BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE:	0.00	
ACCRUED INTEREST:	0.00	AS OF 11-14-94
ACCRUED PENALTY:	0.00	AS OF 11-14-94
ACCOUNT BALANCE PLUS ACCRUALS:	0.00	

TAX PER TAXPAYER: 123,115.00

06-01-90 RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER)
07-02-90 PROCESSING DATE

TRANSACTIONS

CODE	EXPLANATION	DATE	MONEY AMOUNT (IF APPLICABLE)
150	RETURN FILED AND TAX ASSESSED	07-02-90	123,115.00
460	EXTENSION OF TIME FOR FILING TO 04-30-90	03-07-90	
670	SUBSEQUENT PAYMENT FROM ANOTHER BUSINESS ACCOUNT	01-29-90	37,000.00-
960	RECEIVED POA/TIA	06-01-90	
460	EXTENSION OF TIME FOR FILING TO 05-29-90	06-27-90	
340	INTEREST ASSESSED	12-24-90	3,514.22
290	ADDITIONAL TAX ASSESSED	12-24-90	0.00
670	SUBSEQUENT PAYMENT	12-24-90	3,514.22-
290	ADDITIONAL TAX ASSESSED	12-23-91	0.00
340	INTEREST ASSESSED	12-30-91	3,513.44
290	ADDITIONAL TAX ASSESSED	12-30-91	0.00
670	SUBSEQUENT PAYMENT	12-30-91	3,513.44-
670	SUBSEQUENT PAYMENT	06-24-92	10,000.00-
670	SUBSEQUENT PAYMENT	06-24-92	10,000.00-
670	SUBSEQUENT PAYMENT	06-24-92	10,000.00-
670	SUBSEQUENT PAYMENT	06-24-92	12,757.48-
670	SUBSEQUENT PAYMENT	06-24-92	242.52-
670	SUBSEQUENT PAYMENT	12-28-92	2,473.06-
340	INTEREST ASSESSED	04-05-93	2,313.52
290	ADDITIONAL TAX ASSESSED	04-05-93	0.00
340	INTEREST ASSESSED	10-25-93	0.00
291	ABATEMENT OF PRIOR TAX ASSESSMENT	10-25-93	4,478.00-
341	ABATEMENT OF INTEREST	11-15-93	553.22-
290	ADDITIONAL TAX ASSESSED	11-15-93	0.00

****************************CONTINUED ON NEXT PAGE****************************

	SUBSEQUENT PAYMENT	01-11-94	1,547.63
0	INTEREST ASSESSED	04-11-94	1,469.85
290	ADDITIONAL TAX ASSESSED	04-11-94	0.00
670	SUBSEQUENT PAYMENT	10-17-94	39,004.33
340	INTEREST ASSESSED	11-14-94	1,157.87
290	ADDITIONAL TAX ASSESSED	11-14-94	0.00

270,167.80

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