



Received
12/18/25 10:13 am

Filed
12/18/25

Britney J. Spears,

Petitioner

v.

Commissioner of Internal Revenue

Respondent

Electronically Filed
Docket No. 16465-25
Document No. 1

Petition

UNITED STATES TAX COURT

BRITNEY J. SPEARS, }
Petitioner, }
v. } Docket No.
COMMISSIONER OF INTERNAL }
REVENUE, }
Respondent. }
}

PETITION

Petitioner hereby petitions for a redetermination of the deficiency and penalty determined by the Commissioner of Internal Revenue (“Commissioner”) in his Notice of Deficiency dated September 22, 2025, and as the basis for petitioner’s case, alleges as follows:

1. Petitioner is an individual with a current mailing address at c/o NKSFB, LLC 10960 Wilshire Blvd., 5th Floor, Los Angeles, California, 90024, and legal residence in California.
2. Petitioner electronically filed with the Internal Revenue Service her federal income tax return, Form 1040, for the tax period ending December 31, 2021 (“year at issue” or “2021 tax year”). Petitioner’s Form 1040 for the 2021 tax year was timely filed.

3. Petitioner received a Notice of Deficiency, dated September 22, 2025, for the year at issue that was issued by the Office of the Internal Revenue Service at Lake Forest, California (“Notice of Deficiency”).

4. A copy of the Notice of Deficiency is attached to this Petition as **Exhibit A**, with redactions as provided by Tax Court Rule 27. Petitioner also submits with this Petition a Form 4, Statement of Taxpayer Identification Number.

5. The deficiency as determined by the Commissioner is an increase in income tax and penalty or additions to tax for the 2021 tax year in the following amounts:

<u>Tax Year</u>	<u>Deficiency in Tax</u>	<u>I.R.C. § 6662(a) Additions to Tax</u>
2021	\$600,719.00	\$120,143.80

The entire amounts of the proposed deficiency in income tax and penalty or additions to tax are in dispute.

6. The determination of the tax and penalty set forth in the Notice of Deficiency is based upon the following errors:

a. The Commissioner erred in determining a deficiency in tax in the amount of \$600,719.00.

- i. Specifically, the Commissioner erred in adjusting petitioner's share of flow-through income from Shiloh Standing, Inc. in the amount of \$1,390,922.00 and
 - ii. The Commissioner erred in adjusting petitioner's Itemized Deductions on her Form 1040 individual income tax return in the amount of \$334,372.00.
- b. The Commissioner also erred in determining a penalty or additions to tax under I.R.C. section 6662(a) in the amount of \$120,143.80.
- i. The Commissioner erred in determining that any part of any underpayment was due to negligence or disregard of rules and regulations.
 - ii. The Commissioner erred in determining that petitioner had a substantial underpayment of income tax.
 - iii. The Commissioner erred in determining that the underpayment is attributable to a substantial valuation overstatement.
 - iv. In the alternative, the Commissioner erred in determining that petitioner did not have reasonable cause for the

underpayment and did not act in good faith with respect to any such underpayment of tax.

7. The facts upon which petitioner relies, as the basis of petitioner's case, are as follows:

- a. Petitioner timely filed her 2021 Form 1040 individual income tax return.
- b. Petitioner properly reported her share of income, gains, expenses, and losses from the business activities of Shiloh Standing, Inc. for the tax year at issue.
 - i. Shiloh Standing, Inc. is in the business of performing arts and entertainment.
 - ii. Petitioner is the owner of Shiloh Standing, Inc., an S-corporation, whose income and loss are passed through to petitioner's Form 1040 individual income tax return.
 - iii. The expenses paid by Shiloh Standing, Inc. were both ordinary, in that they were common and accepted, and necessary, in that they were appropriate and helpful.
 - iv. Furthermore, petitioner can substantiate the payment of the expenses.

- c. Petitioner properly reported Schedule A, Itemized Deductions, on her Form 1040 individual income tax return for the year at issue.
 - i. Petitioner's payments of amounts qualified as itemized deductions and should not have been disallowed.
 - ii. Petitioner can substantiate the payments giving rise to the itemized deductions.
- d. There is no income tax deficiency due from petitioner for the year at issue.
- e. There is no underpayment of tax due from petitioner for the year at issue.
- f. Petitioner's conduct is not subject to the imposition of an accuracy related penalty pursuant to I.R.C. section 6662.
- g. The Commissioner failed to obtain supervisory approval as required by I.R.C. section 6751(b).
- h. Petitioner was not negligent and did not disregard the income tax rules or regulations.
- i. Petitioner had substantial authority for the positions taken on her 2021 tax return.
- j. Petitioner adequately disclosed on her individual income tax return or on statements attached to her return the relevant facts

affecting the tax treatment of the items on her return, and she had reasonable bases for her treatment of those items.

k. Petitioner acted in good faith and made reasonable attempts to comply with the provisions of the Internal Revenue Code, Treasury Regulations, and IRS rulings.

l. Petitioner has maintained all records related to deductions claimed on her federal income tax return for the year at issue.

m. Petitioner asserts that she may be entitled to additional deductions, credits, or other adjustments that were not claimed or allowed on her original Form 1040 for the 2021 tax year.

WHEREFORE, petitioner requests the following relief:

- (i) Determine that there is no deficiency in income tax for the year at issue;
- (ii) Determine that no penalties or additions to tax are due and owed from petitioner for the year at issue;
- (iii) Determine that petitioner has introduced credible evidence and compliance with all other requirements to shift the burden of proof to respondent with respect to all issues under I.R.C. section 7491(a), and that respondent bears the burden of production with respect to any penalties, additions to tax, or additional amounts under I.R.C. section 7491(c); and

(iv) Grant such other relief as the Court deems appropriate,
including reimbursement of petitioner's legal fees and costs.

RESPECTFULLY SUBMITTED this 18th day of December, 2025.



Charles M. Ruchelman
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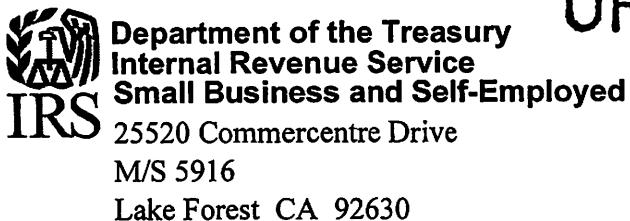
v.

Commissioner of Internal Revenue

Respondent

Electronically Filed
Docket No. 16465-25
Document No. 3

Attachment to Petition



ORIGINAL

Date: SEP 22 2025

Taxpayer ID number:
[REDACTED]

Form:
1040

Contact person:
L. Gonzalez

Employee ID number:
1000246088

Contact numbers:
Phone: 949-638-7004
Fax: 877-477-9165

Last day to file petition with US tax court:

DEC 21 2025

Certified Mail

BRITNEY J SPEARS
C/O % NKSFB
10960 WILSHIRE BLVD 5TH FL
LOS ANGELES CA 90024-3708

Notice of Deficiency

Tax Year Ended: December 31, 2021

Deficiency: \$600,719.00

Increase in tax

Penalties or Additions to Tax

IRC 6662(a) \$120,143.80

Dear BRITNEY J SPEARS:

Why we are sending you this letter

We determined that you owe additional tax or other amounts, or both, for the tax years above. This letter is your Notice of Deficiency as we're required by law to send you. The enclosed Form 4549-A, Income Tax Examination Changes (Unagreed and Excepted Agreed), or Form 5278, Statement - Income Tax Changes, shows how we figured the deficiency.

If you agree with the Notice of Deficiency

If you agree with our determination, sign the enclosed Form 4089-B, Notice of Deficiency - Waiver, and return it to us at the address on the top of the first page of this letter. Sending this now can help limit the accumulation of interest.

If you disagree with the Notice of Deficiency

If you want to contest our final determination, you have 90 days from the date of this letter (150 days if addressed to you outside of the United States) to file a petition with the United States Tax Court.

If you lack access to a computer or the internet and want to file a paper petition, you may get a copy of the petition form and filing information by contacting the Office of the Clerk of the Tax Court at the address previously stated and repeated below or by calling 202-521-0700.

United States Tax Court
400 Second Street, NW
Washington, DC 20217

Sincerely,

Commissioner of the Internal Revenue Service
By



Joshua A. Cook
Technical Services Territory Manager

Enclosures:

Form 4549-A or Form 5278

Form 4089-B

Notice 1421

Page: 5

Continuation Sheet

NAME: BRITNEY J SPEARS

TIN: [REDACTED]

Interest on Deficiencies

Interest on Deficiencies will accrue from the due date of the return until paid.

Accuracy-related Penalty IRC section 6662(a)

Since all or part of the underpayment of tax for the taxable year(s) is attributable to one or more of (1) negligence or disregard of rules or regulations, (2) any substantial understatement of income tax, or (3) any substantial valuation overstatement, an addition to the tax is charged as provided by section 6662(a) of the Internal Revenue Code. The penalty is twenty (20) percent of the portion of the underpayment of tax attributable to each component of this penalty. In addition, interest is computed on this penalty from the due date of the return (including any extensions).

Form **4089-B**
(October 1999)

Department of the Treasury — Internal Revenue Service
Notice of Deficiency-Waiver

Symbols
SE:S:E:CA

Name and address of taxpayer(s)

BRITNEY J SPEARS
C/O % NKSFB
10960 WILSHIRE BLVD 5TH FL
LOS ANGELES CA 90024-3708

Social Security or Employer Identification Number
[REDACTED]

Kind of tax	<input checked="" type="checkbox"/> Copy to authorized representative
Individual Income	Michael Laga 16530 Ventura Blvd Ste 305 Encino, CA 91436-4597

DEFICIENCY — Increase in Tax and Penalties

Tax Year Ended: December 31, 2021
Deficiency: Increase in tax \$600,719.00
Penalties
IRC 6662 20% \$120,143.80

See the attached explanation for the above deficiencies

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.

Your Signature	→	(Date signed)	
Spouse's Signature (If A Joint Return Was Filed)	→	(Date signed)	
Taxpayer's Representative Sign Here	→	(Date signed)	
Corporate Name	→		
Corporate Officers Sign Here	→	(Signature)	(Title)	(Date signed)
	→	(Signature)	(Title)	(Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

Instructions for Form 4089 B

Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Form 4089-B (October 1999)	Department of the Treasury — Internal Revenue Service Notice of Deficiency-Waiver	Symbols SB:S:E:CA
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Name and address of taxpayer(s) Social Security or Employer Identification Number
BRITNEY J SPEARS
 C/O % NKSFB
 10960 WILSHIRE BLVD 5TH FL
 LOS ANGELES CA 90024-3708

Kind of tax	<input checked="" type="checkbox"/> Copy to authorized representative Jeff Klein 1096 Wilshire Blvd Fl 5 Los Angeles, CA 90024-3708
-------------	--

DEFICIENCY — Increase in Tax and Penalties

Tax Year Ended:	December 31, 2021
Deficiency: Increase in tax	\$600,719.00
Penalties	
IRC 6662 20%	\$120,143.80

See the attached explanation for the above deficiencies

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.

Your Signature	→	(Date signed)	
Spouse's Signature <i>(If A Joint Return Was Filed)</i>	→	(Date signed)	
Taxpayer's Representative Sign Here	→	(Date signed)	
Corporate Name	→		
Corporate Officers Sign Here	→	(Signature)	(Title)
	→	(Signature)	(Title)
	→		(Date signed)
	→		(Date signed)

If you agree, please sign one copy and return it; keep the other copy for your records.

Instructions for Form 4089 B

Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

Optional Paragraphs

A check in the block to the left of a paragraph below indicates that the paragraph applies to your situation.

- The amount shown as the deficiency may not be billed, since all or part of the refund due has been held to offset all or a portion of the amount of the deficiency. The amount that will be billed, if any, is shown on the attached examination report.
- The amount shown as a deficiency may not be billed, since the refund due will be reduced by the amount of the deficiency. The net refund due is shown on the attached examination report.

Taxpayer Name:	SPEARS, BRITNEY J	Examiner:	Millan, Carlos
TIN:	[REDACTED]	Date:	4/2/2025
Tax Form:	1040		
Tax Year(s):	202112		

CIVIL PENALTY APPROVAL FORM

PRIMARY POSITION

IRC Section and Penalty Name	Year(s)
6662(d) Substantial Understatement	202112

ALTERNATIVE POSITION

IRC Section and Penalty Name	Year(s)
6662(c) Negligence	202112

I am the immediate supervisor, acting supervisor, or designated higher level official of the individual who made the initial determination of the penalties listed above and I personally approve them.

Signature of Approver:

Digitally signed by Penny Yung
Date: 2025.08.19 09:55:45
-07'00'

Name and Title of Approver:

Penny Yung, Manager

Date: 8/19/2025

(Please print or type)

Date 08/29/2025 Page 1 of 2

Form 4549-A
 (December 2020)

Department of the Treasury-Internal Revenue Service
Report of Income Tax Examination Changes

Name and address of taxpayer BRITNEY J SPEARS Attn: M Kane 10960 Wilshire Blvd 5th Flr C/O # NKSFB Los Angeles CA 90024-3708		Taxpayer identification number [REDACTED]	Return form number 1040
		Person with whom examination changes were discussed.	Name and title BRITNEY J SPEARS
		Period Ended <u>12/31/2021</u>	Period Ended
1. Adjustments to income			Period Ended
a. Other Income - adjustment		1,390,922.00	
b. Itemized Deductions		334,372.00	
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
2. Total adjustments		1,725,294.00	
3. Taxable income per return or as previously adjusted		3,202,708.00	
4. Corrected taxable income		4,928,002.00	
Tax method		SCHEDULE D	
Filing status		Head of Household	
5. Tax		1,198,121.00	
6. Additional taxes/Alternative minimum tax		0.00	
7. Corrected tax liability		1,198,121.00	
8. Less credits	a. Foreign Tax Credit b. c. d.	5,669.00	
9. Balance (line 7 less lines 8a through 8d)		1,192,452.00	
10. Plus other taxes	a. Net Investment Income Tax b. c. d.	145,655.00	
11. Total corrected tax liability (line 9 plus lines 10a through 10d)		1,338,107.00	
12. Total tax shown on return or as previously adjusted		737,388.00	
13. Adjustments to:	a. b. c.		
14. Deficiency-Increase in tax or (overassessment-decrease in tax) (line 11 less line 12 adjusted by lines 13a through 13c)		600,719.00	
15. Adjustments to prepayment credits - increase (decrease)			
16. Balance due or (overpayment) - (line 14 adjusted by line 15) (excluding interest and penalties)		600,719.00	

Page 2 of 2

Name of taxpayer BRITNEY J SPEARS Attn: M Kane	Taxpayer identification number [REDACTED]	Return form number 1040	
17. Penalties, additions to tax, and additional amounts -- IRC sections	Period Ended 12/31/2021	Period Ended	Period Ended
a. Accuracy-IRC 6662	120,143.80		
b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
18. Total penalties, additions to tax, and additional amounts	120,143.80		
19. Summary of taxes, penalties and interest			
a. Balance due or (overpayment) taxes - (line 16, page 1)	600,719.00		
b. Penalties and additions (line 18) - computed to 08/29/2025	120,143.80		
c. Interest** (IRC § 6601) - estimated and computed to 09/28/2025	192,480.48		
d. Amount due or (refund) - (sum of lines a, b, and c)	913,343.28		

**Interest, as provided by law, will be charged on any unpaid amount until it is paid in full.

Other information

THIS AUDIT REPORT SUPERSEDES THE REPORT ISSUED ON 06/26/2025

Examiner's signature Carlos Millan	Employee ID 1000895022	Office Glendale, CA	Date 08/29/2025
---------------------------------------	---------------------------	------------------------	--------------------

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	Total 26.20.00

2021 - Form 6251 - Alternative Minimum Tax Computation

1. If filing Schedule A, enter taxable income if greater than zero; otherwise, enter adjusted gross income less standard deduction and QBID	4,928,002.00
2. Total adjustment and preferences (excluding any NOL deduction)	16,090.00
3. Net operating loss deduction	0.00
4. Alternative tax net operating loss deduction	0.00
5. Alternative minimum taxable income (combine lines 1 thru 4)	4,944,092.00
6. Exemption amount	0.00
7. Subtract line 6 from line 5 (if zero or less, enter zero)	4,944,092.00
8. If capital gains are reported, use the amount from line 29 of the continuation page (If FEIT worksheet for AMT is used, enter amount from line 6 of that worksheet instead) All others, multiply line 7 by 28% and subtract \$ 3,998 from the result	1,103,722.00
9. Alternative minimum tax foreign tax credit	5,669.00
10. Tentative minimum tax (line 8 less line 9)	1,098,053.00
11. Regular tax less foreign tax credit plus excess advance premium tax credit repayment (if Schedule J was used to figure tax, use the refigured amount for line 16 of Form 1040 without using Schedule J)	1,192,452.00
12. Alternative minimum tax	0.00

Exemption Worksheet (line 6 above)

A. Exemption amount based on filing status	73,600.00
B. Alternative minimum taxable income	4,944,092.00
C. Enter amount based on filing status	523,600.00
D. Subtract line C from line B	4,420,492.00
E. Multiply line D by 25%	1,105,123.00
F. Subtract line E from line A (if zero or less, enter zero)	0.00

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:		Total 26.20.00

2021 - Form 6251 - Continuation, Tax Computation Using Maximum Capital Gain Rates

1. Amount from Form 6251 report, line 7 (If FEIT worksheet for AMT was used, enter amount from line 3 of that worksheet instead)	4,944,092.00
2. Amount from line 4 Qualified Dividends and Capital Gain Tax Worksheet or line 13 Schedule D Tax Worksheet (refigured for AMT)	3,457,599.00
3. Amount from Schedule D line 19 (refigured for AMT)	589.00
4. Amount from line 2 if no Schedule D worksheet; otherwise, the smaller of the sum of line 2 and line 3 or Schedule D worksheet line 10 (refigured for AMT)	3,458,188.00
5. Smaller of line 1 or line 4	3,458,188.00
6. Subtract line 5 from line 1	1,485,904.00
7. Multiply line 6 by 28% and subtract \$ 3,998 from the result	412,055.00
8. Enter amount based on filing status	54,100.00
9. Amount from line 5 Qualified Dividends and Capital Gain Tax Worksheet or amount from line 14 Schedule D Tax Worksheet, whatever applies (as figured for regular tax). If neither worksheet applies, use taxable income (but not less than zero). If Form 2555 was filed, see instructions	1,470,403.00
10. Subtract line 9 from line 8 (if zero or less, enter zero)	0.00
11. Smaller of line 1 or line 2	3,457,599.00
12. Smaller of line 10 or line 11; This amount is taxed at 0%.	0.00
13. Subtract line 12 from line 11	3,457,599.00
14. Enter amount based on filing status	473,750.00
15. Amount from line 10	0.00
16. Amount from line 5 Qualified Dividends and Capital Gain Tax Worksheet or amount from line 21 Schedule D Tax Worksheet, whatever applies (as figured for regular tax). If neither worksheet applies, use taxable income (but not less than zero). If Form 2555 was filed, see instructions	1,469,814.00
17. Add lines 15 and 16	1,469,814.00
18. Subtract line 17 from line 14 (if zero or less, enter zero)	0.00
19. Smaller of line 13 or line 18	0.00
20. Multiply line 19 by 15%	0.00
21. Add lines 12 and 19	0.00
22. Subtract line 21 from line 11	3,457,599.00
23. Multiply line 22 by 20%	691,520.00
24. Add lines 6, 21, and 22	4,943,503.00
25. Subtract line 24 from line 1	589.00
26. Multiply line 25 by 25%	147.00
27. Total of lines 7, 20, 23, and 26	1,103,722.00
28. Multiply line 1 by 28% and subtract \$ 3,998 from the result	1,380,348.00
29. Smaller of line 27 or line 28. Enter here and on line 8 of Form 6251 report	1,103,722.00

Name of Taxpayer: BRITNEY J SPEARS

08/29/2025

Identification Number: [REDACTED]

Total

26.20.00

2021 - Form 8801 - Credit for Prior Year Minimum Tax

Part I - Net Minimum Tax on Exclusion Items

1. Taxable income (loss) from prior year Form 6251	0.00
2. Adjustments and preferences treated as exclusion items	0.00
3. Minimum tax credit net operating loss deduction	0.00
4. Combine lines 1 through 3 (if more than \$ 745,200 and married filing separate for prior year - see instructions)	0.00
5. Exemption amount from prior year Form 6251	72,900.00
6. Phase-out exemption from prior year Form 6251	518,400.00
7. Subtract line 6 from line 4 (if zero or less, enter -0-)	0.00
8. Multiply line 7 by 25%	0.00
9. Subtract line 8 from line 5 (if zero or less, enter -0-)	0.00
10. Subtract line 9 from line 4 (if zero or less, enter -0-)	0.00
11. Line 11 computation (if filing Form 2555 for prior year, enter amount from page 3) or, (if capital gains for prior year, enter amount from Part III, line 55); otherwise, multiply line 10 by 0 % and subtract \$ 0 from the result	0.00
12. Minimum tax foreign tax credit on exclusion items	0.00
13. Tentative minimum tax on exclusion items (line 11 less line 12)	0.00
14. Regular tax before credits minus foreign tax credit (line 34 of prior year Form 6251)	0.00
15. Net minimum tax on exclusion items (line 13 less line 14)	0.00

Part II - Minimum Tax Credit and Carryforward to Subsequent Year

16. Line 35 of prior year Form 6251	0.00
17. Amount from line 15 above	0.00
18. Adjusted net minimum tax (line 16 less line 17)	0.00
19. Carryforward of minimum tax credit from prior year	0.00
20. Prior year unallowed qualified electric vehicle credit	0.00
21. Combine lines 18 through 20	0.00
22. Current year regular income tax plus excess advance premium tax credit repayment less allowable credits	0.00
23. Current year tentative minimum tax (line 33 of Form 6251)	0.00
24. Subtract line 23 from line 22 (if zero or less, enter -0-)	0.00
25. Minimum tax credit (smaller of line 21 or line 24)	0.00
26. Credit carryforward (subtract line 25 from line 21)	0.00

Name of Taxpayer: BRITNEY J SPEARS

Identification Number: [REDACTED]

Total

08/29/2025

26.20.00

Part III - Tax Computation Using Maximum Capital Gains Rates

27. Amount from line 10 (If FEIT worksheet for F8801 was used, enter amount from line 3 of that worksheet instead)	0.00
28. Amount from prior year line 6 of Qualified Dividends Worksheet or prior year line 13 of Schedule D Tax Worksheet, whichever applies	0.00
29. Amount from prior year Schedule D, line 19	0.00
30. Add lines 28 and 29, and enter the smaller of that result or the amount from line 10 of Schedule D Tax Worksheet	0.00
31. Smaller of line 27 or line 30	0.00
32. Subtract line 31 from line 27	0.00
33. Multiply line 32 by 0 % and subtract \$ 0 from the result	0.00
34. Enter amount based on prior year filing status	53,600.00
35. Amount from prior year line 7 of Qualified Dividends Worksheet or line 14 of Schedule D Tax Worksheet, whichever applies. If neither was used, enter the prior year's taxable income	0.00
36. Subtract line 35 from line 34. If zero or less, enter -0-	0.00
37. Smaller of line 27 or line 28	0.00
38. Smaller of line 36 or line 37	0.00
39. Subtract line 38 from line 37	0.00
40. Enter amount based on prior year filing status	469,050.00
41. Amount from line 36	0.00
42. Amount from prior year line 7 of Qualified Dividends Worksheet or prior year line 19 of Schedule D Tax Worksheet, whichever applies. If neither was used, enter the prior year's taxable income (If FEIT worksheet was used, enter amount from line 3 instead)	0.00
43. Add lines 41 and 42	0.00
44. Subtract line 43 from line 40. If zero or less, enter -0-	0.00
45. Smaller of line 39 or line 44	0.00
46. Multiply line 45 by 15%	0.00
47. Add lines 38 and 45	0.00
48. Subtract line 47 from line 37	0.00
49. Multiply line 48 by 20%	0.00
50. Add lines 32, 47, and 48	0.00
51. Subtract line 50 from line 27	0.00
52. Multiply line 51 by 25%	0.00
53. Add lines 33, 46, 49, and 52	0.00
54. Multiply line 27 by 0 % and subtract \$ 0 from the result	0.00
55. Smaller of line 53 or line 54 (enter here and on line 11 above) (If FEIT worksheet for F8801 was used, enter amount on line 4 of that worksheet instead)	0.00

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	Total
		26.20.00

2021 - FOREIGN EARNED INCOME TAX WORKSHEET for PRIOR YEAR MINIMUM TAX

- | | |
|--|------|
| 1. Enter amount from Form 8801, line 10 | 0.00 |
| 2a. Enter amount from prior year Form 2555, lines 45 & 50 | 0.00 |
| 2b. Enter the total amount of unclaimed itemized deductions
or exclusions related to excluded income | 0.00 |
| 2c. Subtract line 2b from line 2a. If zero or less, enter -0- | 0.00 |
| 3. Add lines 1 and 2c | 0.00 |
| 4. Tax on amount on line 3.

If capital gains or qualified dividends are reported for prior year,
enter amount from line 3 on Form 8801, line 27.

Complete Form 8801, Part III and enter amount from line 55 here.
All others: multiply line 3 by 26% and subtract \$ 0 from the result | 0.00 |
| 5. Tax on amount on line 2c.

Multiply line 2c by 26 % and subtract \$ 0 from the result | 0.00 |
| 6. Subtract line 5 from line 4. If zero or less, enter -0-
(enter amount here and on line 11 of page 1) | 0.00 |

NOTE: Computations include capital gain excess determination
and any necessary modifications to Form 8801, Part III

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	Total 26.20.00

2021 - Form 8960 - Net Investment Income Tax

1. Total investment income as filed	3,908,505.00
2. Adjustments to total investment income	0.00
3. Total investment income (combine lines 1 and 2)	3,908,505.00
4. Total deductions and modifications as filed	75,466.00
5. Adjustments to total deductions and modifications	0.00
6. Total deductions and modifications (combine lines 4 and 5; no less than 0.00)	75,466.00
7. Net investment income (subtract line 6 from line 3; no less than 0.00)	3,833,039.00
8. Modified adjusted gross income	5,040,894.00
9. Threshold based on filing status	200,000.00
10. Subtract line 9 from line 8 (no less than 0.00)	4,840,894.00
11. Smaller of line 7 or line 10	3,833,039.00
12. Net investment income tax (multiply line 11 by .038)	145,655.00

Name of Taxpayer: BRITNEY J SPEARS
 Identification Number: [REDACTED]

Total

Page of
 Tax Period Ending: 12/31/2021

Accuracy-Related Penalties under IRC 6662

20 Percent Penalty -- Internal Revenue Code Section 6662(a)

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Negligence or disregard of rules or regulations;
- (2) Substantial understatement of income tax;
- (3) Substantial valuation misstatement (overstatement);
- (4) Transaction lacking economic substance.

Therefore, an addition to tax is imposed as provided by Section 6662(a) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	600,719.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 40% Section 6662 penalty issues	0.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which Section 6662(a) applies (Line 1 less the sum of lines 2, 3, and 4)	600,719.00
6. Applicable penalty rate	20.00%
7. Section 6662(a) accuracy-related penalty (Line 5 times line 6)	120,143.80
8. Less: Previously assessed/previiously agreed Section 6662(a) penalty	0.00
9. Total section 6662(a) accuracy-related penalty (Line 7 less line 8)	<u><u>120,143.80</u></u>

40 Percent Penalty -- Internal Revenue Code Section 6662(h); 6662(i); 6662(j)

It has been determined that the underpayment of tax shown on line 5 below is attributable to one or more of the following:

- (1) Gross valuation misstatement (overstatement);
- (2) Non-disclosed transaction lacking economic substance;
- (3) Undisclosed foreign financial assets.

Therefore, an addition to tax is imposed as provided by Section 6662(h); 6662(i); or 6662(j) of the Internal Revenue Code.

1. Total underpayment, excluding underpayment attributable to Section 6662A and/or Section 6676 penalty issues, if any	600,719.00
2. Less: Underpayment attributable to non-penalty issues	0.00
3. Less: Underpayment attributable to 20% Section 6662 penalty issues	600,719.00
4. Less: Underpayment attributable to civil fraud penalty issues	0.00
5. Underpayment to which 40% Section 6662 penalty applies (Line 1 less the sum of lines 2, 3, and 4)	0.00
6. Applicable penalty rate	40.00%
7. 40% Section 6662 accuracy-related penalty (Line 5 times line 6)	0.00
8. Less: Previously assessed/previously agreed 40% Section 6662 penalty	0.00
9. Total 40% section 6662 accuracy-related penalty (Line 7 less line 8)	<u><u>0.00</u></u>

Name Of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	
	Total	26.20.00

2021 - Adjustments Subject to Accuracy-Related Penalty - IRC 6662

**ADJUSTMENTS TO WHICH THE ACCURACY RELATED PENALTY APPLIES:
PENALTY RATES
20% 40%**

Other Income - adjustment	X	1,390,922.00	IRC 6662(d)
Medical and Dental	X	608,120.00	IRC 6662(d)

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	Total 26.20.00

HOW TO PAY YOUR TAXES

If you agree with the adjustments and balance due on Form 4549 – Income Tax Changes, please return a signed copy including pages 1 and 2. The enclosed report does not reflect any balance currently due on your account.

You have payment options for your tax liability. Please note that interest and applicable penalties will accrue until your balance is paid in full. Paying now will decrease or stop future interest charges and prevent assessment of failure to pay penalties.

Payment options include the following:

- Pay now by including a check or money order payable to the United States Treasury with your signed copy of Form 4549.
- Download the IRS2Go Mobile App and make a payment whenever you like from your mobile device. (Processing fees may apply.)
- If you can pay the full amount within 120 days, return the signed agreement now and submit the balance due when you receive the bill.

Additional payment options are available by visiting www.IRS.gov/payments:

- Apply for a payment plan. (Fees may apply.) You may also apply by completing the section below, "Payment Plan Request."
- Pay online via a checking/savings account.
- Locate retail partners for cash payments. (Processing fees apply.)
- Pay by credit card. (Processing fees apply.)

Payment Plan Request

Submit your written request or check the box below and return this flyer with your signed agreement.

I would like to pay \$ _____ per month. (Make your payments as large as possible to limit penalty and interest.)

I would like my payment to be due on the ____ of the month. (Please indicate a date between the 1st and 28th of the month.)

You will be charged a fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide a telephone number where we can contact you regarding your request.

Home: () _____

Work: () _____

Name Of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:		Total 26.20.00

2021 TAX YEAR INTEREST COMPUTATION

Interest computed to	09/28/2025
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Total Tax Deficiency	\$600,719.00
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Plus Penalties*

Failure to File - IRC 6651	\$.00
Accuracy Related Penalty - IRC 6662	\$120,143.80
Accuracy Related Penalty - IRC 6662A	\$.00
Civil Fraud - IRC 6663	\$.00
Manually Computed Penalty	\$.00

Total Penalties Subject to Interest	<u>\$120,143.80</u>
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Tax Deficiency and Penalties Subject to Interest	\$720,862.80
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Type	Effective Dates	Days	Rate	Interest
Compound	04/15/2022--06/30/2022	76	4%	\$5,023.87
Compound	07/01/2022--09/30/2022	92	5%	\$7,681.80
Compound	10/01/2022--12/31/2022	92	6%	\$10,877.00
Compound	01/01/2023--09/30/2023	273	7%	\$40,010.74
Compound	10/01/2023--12/31/2023	92	8%	\$15,976.87
Compound	01/01/2024--12/31/2024	366	8%	\$66,658.14
Compound	01/01/2025--09/28/2025	271	7%	\$46,252.06

Total Interest	<u>\$192,480.48</u>
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Interest on penalties is computed from the due date of the return (including extensions) until the date of payment. The interest shown on this report is estimated. Interest is computed from the due date of the return (including extensions) and will continue to accrue until the date paid in full. Interest on the failure to pay penalty is computed from the date of assessment and is therefore not considered in this report.

Name of Taxpayer:	BRITNEY J SPEARS		08/29/2025
Identification Number:	[REDACTED]	Total	26.20.00

2021 - SCHEDULE A - ITEMIZED DEDUCTIONS

	PER RETURN	PER EXAM	ADJUSTMENT
1. Medical, dental and insurance premiums	608,120.00	0.00	608,120.00
2. 7.5% of adjusted gross income	273,748.00	378,067.05	
3. Net medical and dental expenses	334,373.00	0.00	334,373.00
4. Taxes	10,000.00	10,000.00	0.00
5. Home interest expense	34,807.00	34,807.00	0.00
6. Qualified mortgage insurance premiums	0.00	0.00	0.00
7. Investment interest	68,085.00	68,085.00	0.00
8. Other interest expense	0.00	0.00	0.00
9. Total interest expense	102,892.00	102,892.00	0.00
10. Contributions	0.00	0.00	0.00
11. Casualty and theft losses	0.00	0.00	0.00
12. Other miscellaneous deductions	0.00	0.00	0.00
13. Total itemized deductions (Sum of lines 3, 4, 9, 10, 11, and 12)	447,264.00	112,892.00	334,372.00

Name of Taxpayer:	BRITNEY J SPEARS		08/29/2025
Identification Number:	[REDACTED]	Total	26.20.00

2021 - SCHEDULE D - CAPITAL GAINS AND LOSSES

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

1	Short-term capital gain or loss	111,026.00
2	Short-term capital loss carryover	0.00
3	Net Short-term Gain or Loss (Add line 1 and 2)	111,026.00

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

4	Long-term capital gain or loss	3,106,242.00
5	Long-term capital gain or loss carryover	0.00
6	Net long-term Gain or Loss (Add line 4 and 5)	3,106,242.00

Part III Summary

7	Sum of lines 3 and 6 - Net Capital Gain or Loss	3,217,268.00
8	Capital loss limitation	0.00
9	Capital Gain or Loss - As Corrected	3,217,268.00
10	Capital Gain or Loss - Per Return	3,217,268.00
11	Line 9 less line 10 - Adjustment to Income	0.00

CORRECTED CARRYOVER

12	Short-term Carryover to Subsequent Year	0.00
13	Long-term Carryover to Subsequent Year	0.00

28% RATE GAIN COMPUTATION

1	Tentative 28% rate gain (total of lines 1 thru 4 from worksheet)	0.00
2	Long-term capital loss carryover	0.00
3	Net short-term capital loss	0.00
4	Allowable 28% rate gain (sum of lines 1 thru 3) (if -0- or less, enter -0-)	0.00

SECTION 1250 GAIN COMPUTATION

1	Tentative Section 1250 gain (line 13 from worksheet)	589.00
2	Tentative 28% rate gain	0.00
3	Net short-term capital loss	0.00
4	Long-term capital loss carryover	0.00
5	Sum of lines 2 thru 4 (if less than -0-, enter as positive amount) (if -0- or greater, enter -0-)	0.00
6	Allowable Section 1250 gain (line 1 less line 5) (if -0- or less, enter -0-)	589.00

Name of Taxpayer:	BRITNEY J SPEARS	08/29/2025
Identification Number:	[REDACTED]	Total 26.20.00

2021 - Schedule D Tax Worksheet

1. Enter the taxable income from Form 1040 or 1040-SR, line 15, or the amount from Foreign Earned Income Tax Worksheet, line 3, if filing Form 2555	4,928,002.00
2. Enter the qualified dividends from Form 1040 or 1040-SR, line 3a	351,946.00
3. Enter the amount from Form 4952, line 4g	0.00
4. Enter the amount from Form 4952, line 4e	0.00
If applicable, enter the smaller of line 4e or the amount on the dotted line next to line 4e of Form 4952	
5. Subtract line 4 from line 3. If zero or less, enter -0-	0.00
6. Subtract line 5 from line 2. If zero or less, enter -0-	351,946.00
7. Enter the smaller of line 15 or line 16 of Schedule D	3,106,242.00
8. Enter the smaller of line 3 or line 4	0.00
9. Subtract line 8 from line 7. If zero or less, enter -0-	3,106,242.00
10. Add lines 6 and 9	3,458,188.00
11. Add lines 18 and 19 of Schedule D	589.00
12. Enter the smaller of line 9 or line 11	589.00
13. Subtract line 12 from line 10	3,457,599.00
14. Subtract line 13 from line 1. If zero or less, enter -0-	1,470,403.00
15. Enter: \$40,400 if single or married filing separately; \$80,800 if married filing jointly or qualifying widow(er); or \$54,100 if head of household	54,100.00
16. Enter the smaller of line 1 or line 15	54,100.00
17. Enter the smaller of line 14 or line 16	54,100.00
18. Subtract line 10 from line 1. If zero or less, enter -0-	1,469,814.00
19. Enter the smaller of line 1 or: \$164,925 if single or married filing separately; \$329,850 if married filing jointly or qualifying widow(er); or \$164,900 if head of household	164,900.00
20. Enter the smaller of line 14 or line 19	164,900.00
21. Enter the larger of line 18 or line 20	1,469,814.00
22. Subtract line 17 from line 16. This amount is taxed at 0% If lines 1 and 16 are the same, skip lines 23 through 43 and go to line 44. Otherwise, go to line 23.	0.00
23. Enter the smaller of line 1 or line 13	3,457,599.00
24. Enter the amount from line 22 (if line 22 is blank, enter -0-)	0.00
25. Subtract line 24 from line 23. If zero or less, enter -0-	3,457,599.00
26. Enter: \$445,850 if single; \$250,800 if married filing separately; \$501,600 if married filing jointly or qualifying widow(er); or \$473,750 if head of household	473,750.00
27. Enter the smaller of line 1 or line 26	473,750.00
28. Add lines 21 and 22	1,469,814.00
29. Subtract line 28 from line 27. If zero or less, enter -0-	0.00
30. Enter the smaller of line 25 or line 29	0.00
31. Multiply line 30 by 15% (.15)	0.00
32. Add lines 24 and 30 If lines 1 and 32 are the same, skip lines 33 through 43 and go to line 44. Otherwise, go to line 33.	0.00
33. Subtract line 32 from line 23	3,457,599.00
34. Multiply line 33 by 20% (.20) If Schedule D, line 19, is zero or blank, skip lines 35 through 40 and go to line 41. Otherwise, go to line 35.	691,520.00
35. Enter the smaller of line 9 above or Schedule D, line 19	589.00
36. Add lines 10 and 21	4,928,002.00
37. Enter the amount from line 1 above	4,928,002.00
38. Subtract line 37 from line 36. If zero or less, enter -0-	0.00
39. Subtract line 38 from line 35. If zero or less, enter -0-	589.00
40. Multiply line 39 by 25% (.25) If Schedule D, line 18, is zero or blank, skip lines 41 through 43 and go to line 44. Otherwise, go to line 41.	147.00
41. Add lines 21, 22, 30, 33, and 39	506,454.00
42. Subtract line 41 from line 1	1,198,121.00
43. Multiply line 42 by 28% (.28)	1,785,984.00
44. Figure the tax on the amount on line 21. If the amount on line 21 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 21 is \$100,000 or more, use the Tax Computation Worksheet	
45. Add lines 31, 34, 40, 43, and 44	1,198,121.00
46. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	
47. Tax on all taxable income (including capital gains and qualified dividends) Enter the smaller of line 45 or line 46. Also include this amount on Form 1040 or 1040-SR, line 16, or Foreign Earned Income Tax Worksheet, line 4, if applicable	1,198,121.00

Form 886-A (May 2017)	Department of the Treasury - Internal Revenue Service Explanation of Items		Schedule number or exhibit
Name of taxpayer	Tax Identification Number (<i>last 4 digits</i>)		Year/Period ended
BRITNEY J SPEARS			2021

Other Income - adjustment

Tax Period	Per Return	Per Exam	Adjustment
2021	(\$262,000.00)	\$1,128,922.00	\$1,390,922.00

We adjusted your return in accordance with the examination results of the S corporation return (Form 1120S) of which you are a shareholder.

Medical and Dental

Tax Period	Per Return	Per Exam	Adjustment
2021	\$608,120.00	\$0.00	\$608,120.00

Since you did not prove that the amount shown was (a) a medical expense, and (b) paid during the taxable year, the amount is not deductible. See IRC Section 213.

Statutory-Alt Min Tax

Tax Period	Per Return	Per Exam	Adjustment
2021	\$3,218.00	\$0.00	(\$3,218.00)

You have an alternative minimum tax liability only if your tentative minimum tax exceeds your regular tax liability. Tentative minimum tax is computed by first calculating your alternative minimum taxable income, which equals your regular taxable income increased by any tax preference items for the taxable year, and increased or decreased by adjustment items for the taxable year. Alternative minimum taxable income is then reduced by an exemption amount:

(\$73,600 for Single/Head of Household
 \$114,600 for Married Filing Joint/Surviving Spouse; and
 \$57,300 for Married Filing Separately) which is subject to phase-out depending on the amount of your alternative minimum taxable income.

For taxable years after 1992, the remaining amount is subject to a 26 percent tax rate on the first \$175,000 and 28 percent tax rate on any amount in excess of \$175,000. A tentative minimum tax is then computed by reducing the amount determined in the preceding sentence by any allowable foreign tax credit. The alternative minimum tax liability is the amount by which tentative minimum tax exceeds regular tax liability.

**Examination Changes - Partnerships, Fiduciaries, S Corporations,
 and Interest Charge Domestic International Sales Corporations**

Name and address Shiloh Standing, Inc. 3900 W ALAMEDA AVE BURBANK, California 91505-4316	Employer Identification Number [REDACTED]	Form number 1120S	
	Person Examination Changes Were Discussed With	Name	
		Title	
1. Adjustments to ordinary, distributable net, or taxable income	Period End 12/31/2021	Period End	Period End
a. 500- Other Deductions	1,481,086.00		
b.			
c.			
d.			
e.			
f.			
g.			
2. Total adjustments to ordinary, distributable net, or taxable income	1,481,086.00		
3. Ordinary, distributable net, or taxable income as reported	(1,614,264.00)		
4. Corrected ordinary, distributable net, or taxable income	(133,178.00)		
5. Other adjustments	[REDACTED]	[REDACTED]	[REDACTED]
a.	[REDACTED]	[REDACTED]	[REDACTED]
(1) Adjustment			
(2) As Reported			
(3) Corrected			
b.	[REDACTED]	[REDACTED]	[REDACTED]
(1) Adjustment			
(2) As Reported			
(3) Corrected			

Remarks

This form only reflects Schedule K items adjusted by this report.

Examiner's signature Carlos Millan	Employee ID 1000895022	Area office Glendale, CA	Date 06/04/2025
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Page 1 of 1

Form 886-X (July 2016)	Department of the Treasury — Internal Revenue Service Shareholders' Share of Income, Deductions, and Credits				Schedule Number 1120S
Name of Corporation Shiloh Standing, Inc.	Corporation TIN [REDACTED]			Taxable Year Ended 12/31/2021	
Name of Each Shareholder (1)	Shareholder TIN (2)	Ordinary income (loss) from trade or business (3)	(4)	(5)	(6)
Britney J Spears	[REDACTED]	(133,178.00)			
Total		(133,178.00)			
Continuation					
Shareholder TIN (7)	(8)	(9)	(10)	(11)	(12)
[REDACTED]					
Total					

This form only reflects Schedule K-1 items adjusted by the report dated: 06/04/2025