



U.S. Department of Justice

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EVENT:Guilty Plea

Defendant: Paul M. Wolf

BIRMINGHAM STEEL TRADER PLEADS GUILTY TO TAX EVASION

A Birmingham Steel Trader pleaded guilty today to two counts of tax evasion, announced United States Attorney Stephen J. Murphy.

Murphy was joined in the announcement by Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation.

Pleading guilty before U.S. District Judge Lawrence P. Zatkoff was Paul M. Wolf, 49, of Birmingham.

According to court records, during an Internal Revenue Service civil audit of Wolf's tax returns, the revenue agent detected badges of fraud and referred the case to the Criminal Investigation Division of IRS. IRS' criminal investigation showed that Wolf knowingly and willfully filed false 2002 and 2003 tax returns with the IRS, which included Wolf overstating his mortgage interest deduction, reporting more than \$400,000 on these tax returns when his actual mortgage interest payments were approximately \$87,000. Wolf also overstated his charitable contributions on his 2003 by more than \$42,000.

“Whether omitting income or overstating deductions, falsifying the amount of tax due and owing to the IRS constitutes fraud, which we will continue to monitor and prosecute as appropriate. No individual in a society of laws has the right to evade paying their fair share of tax. I commend the IRS agents and lawyers in our office whose efforts led to the successful prosecution of this case,” U.S. Attorney Murphy said.

“Cheating on your taxes is the same as stealing,” said Aouate. “We should not expect the honest taxpayer to foot the bill for those who evade paying their fair share in taxes and the prosecution of these individuals are a vital element in maintaining the public confidence in our tax system.”

Tax evasion carries a maximum sentence of 5 years imprisonment and a \$100,000 fine per count. A sentencing date was set for May 13, 2008, at 10:00 a.m.

This case is being prosecuted by Assistant United States Attorney William J. Sauget.