



U.S. Department of Justice

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EVENT: Sentenced

Defendant: Neil Bahura

**Detroit Party Store Owner's Taxes Scheme
Unwittingly Aids Major Drug Dealers**

Neil Bahura, 38, of Farmington Hills and the owner of JNB Market in Detroit, was sentenced today to three years probation as the result of his August 2007 guilty plea to filing a false tax return, signed under penalties of perjury announced , United States Attorney Stephen J. Murphy.

Mr. Murphy was joined in the announcement by Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation and Special Agent in Charge Robert L. Corso, Drug Enforcement Administration.

According to court records, Bahura during 2002 purchased \$5,000 winning four-digit daily Michigan Lottery tickets at a discounted price of \$4,500 from the true winners of the lottery. He resold the tickets to Harold Wilcox, 42, of Southfield, for \$4,750, and Bahura was aware that Wilcox was purchasing them for someone else. During the tax year 2002, Bahura purchased and resold at least \$50,000 worth of winning Michigan Lottery tickets, and failed to report the profits on his tax return.

Information provided to the court at the time of the plea indicated that Wilcox had purchased the lottery tickets from Bahura and other tickets with cash obtained from Terry and Demetrious Flenory, both originally of Detroit. More than one million dollars in narcotic proceeds were ultimately used in the purchase of winning lottery tickets, which were redeemed at the State of Michigan's lottery bureau by nominees of the Flenorys. The monies, which were deposited into various personal bank accounts and used to purchase homes and vehicles, were handled in such a way to hide the fact that the cash was derived from the sale of cocaine by the Flenorys' drug sale activities.

Wilcox, and both Flenorys have all have pleaded guilty to various narcotic related charges in the case and are awaiting sentencing.

United States Attorney Stephen J. Murphy stated, " While common tax fraud is a serious crime which our office consistently and aggressively prosecutes, filing fals tax returns to cover up the illegal transmission of narcotic proceeds is of even greater concern and deserves the sort of felony sentencing handed out by the court today. I commend the IRS and the lawyers of our office for uncovering this novel scheme and effectively resolving the matter short of trial."

"Drug dealers have a need to be able to explain their illegal profits and will exploit any opportunity to launder their monies," said Aouate. "IRS Criminal Investigation's unique role is to follow this money trail and, in partnership with DEA and other law enforcement agencies, identify all the guilty parties, shutting them down for good."

United States Attorney Murphy thanked the IRS Criminal Investigation and the Drug Enforcement Administration.