

United States Attorney Robert E. O'Neill Middle District of Florida

Tampa Orlando Jacksonville Fort Myers

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CONTACT: STEVE COLE PHONE: (813) 274-6136 FAX: (813) 274-6300

JURY FINDS WESLEY SNIPES GUILTY ON THREE MISDEMEANOR CHARGES AND ACQUITS HIM OF TWO FELONY CHARGES

TWO OTHERS FOUND GUILTY ON FELONY CHARGES

Ocala, FL - A jury today found Wesley Trent Snipes guilty on three misdemeanor charges for failing to file income tax returns. Snipes was acquitted on felony charges of conspiracy to defraud the Internal Revenue Service (IRS) and presenting a fraudulent claim for payment to the IRS. He was also acquitted on three other charges of failing to file income tax returns. Eddie Ray Kahn, of Sorrento, Florida, and Douglas P. Rosile, of Venice, Florida, were found guilty of conspiracy to defraud the Internal Revenue Service (IRS) and presenting a fraudulent claim for payment to the IRS.

A sentencing date has not been set. The conspiracy and false claim charges each carry a maximum sentence of five years' imprisonment. Snipes faces up to one year imprisonment on each charge of failing to file income tax returns.

Kahn was the founder and leader of American Rights Litigators (ARL), a tax protestor organization based in Lake County, Florida. Rosile prepared returns for ARL clients, such as Snipes.

U.S. Attorney Robert E. O'Neill stated, "Filing tax returns is not optional. It is a legal requirement. Mr. Snipes now faces up the three years in federal prison for his willful failure to comply with the law."

"The jury's conviction of Wesley Snipes today represents the latest in a long string of criminal convictions by the Justice Department and the IRS against tax protestors," said Nathan J. Hochman, Assistant Attorney General of the Justice Department's Tax Division, "Those who unlawfully dodge their tax obligations should know that they face long prison terms and stiff financial penalties."

"Our criminal justice system has once again determined that there are no legal grounds for failure to file or pay federal taxes. There is no secret formula that eliminates a persons' tax obligations -- the law is very clear: people must pay their taxes. Today's conviction again reminds all honest taxpayers that arguments from those who promote tax schemes are simply wrong and do not stand up to the scrutiny of the law," said acting Internal Revenue Service Commissioner Linda Stiff.

This case was investigated by the IRS Criminal Investigation (IRS-CI). It is being prosecuted by U.S. Attorney Robert E. O'Neill, Assistant United States Attorney Scot Morris, and Trial Attorney Jeffrey A. McLellan, U. S. Department of Justice Tax Division.