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FOR IMMEDIATE RELEASE
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**OWNER AND MANAGER OF SACRAMENTO-AREA AUTO DEALERSHIP
AND AUTO REPAIR SHOPS SENTENCED TO JAIL FOR TAX FRAUD**

SACRAMENTO--United States Attorney McGregor W. Scott and Internal Revenue Service Special Agent-in-Charge Victor S.O. Song, announced today that GEORGE SAITES, 50, of Granite Bay, California, and EUTHIMIOS SAITES, 35, of Sacramento, California, were sentenced today by the Hon. Garland E. Burrell, Jr. for their roles in a tax evasion scheme. Defendant GEORGE SAITES was sentenced to one year and one day in prison and ordered to pay a \$7,500 fine, and defendant EUTHIMIOS SAITES was sentenced to 2 months home confinement.

According to Assistant United States Attorney Robin R. Taylor, who is prosecuting the case, the defendants previously pleaded guilty to federal income tax fraud on August 15, 2003. GEORGE SAITES pleaded guilty to three counts of tax evasion, and his brother EUTHIMIOS SAITES pleaded guilty to three counts of filing false income tax returns with the Internal Revenue Service (IRS). According to court documents, defendant GEORGE SAITES owned and operated Auto Emporium, a used car dealership located in Woodland, California, and two Muffler Mart auto repair shops located in Sacramento. Defendant GEORGE SAITES admitted in court that in tax years 1997, 1998, and 2000, he failed to pay income tax to the IRS on significant amounts of income derived from these businesses. GEORGE SAITES stated that he concealed substantial taxable income from the IRS by skimming cash from the businesses and by having others, including EUTHIMIOS SAITES, keep two sets of invoices for auto repairs, only one of which was reported to the IRS. GEORGE SAITES admitted to using this unreported income to pay his personal living expenses. Defendant EUTHIMIOS SAITES admitted that he wilfully filed false U.S. Individual Income Tax Returns, which substantially understated the gross receipts and included false expenses and deductions for the businesses. The IRS estimates that GEORGE SAITES and EUTHIMIOS SAITES collectively owe more than \$104,000 in back taxes.

According to IRS Special Agent-in-Charge Song: "Tax crimes undermine the integrity of our system of taxation. Taxes are essential to ensure the smooth and efficient operation of our government."

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Each defendant has filed amended U.S. Individual Income Tax Returns for calendar years 1997, 1998, and 2000 and agreed to repay back taxes owed to the IRS.

This case is the product of an extensive investigation by the Internal Revenue Service, Criminal Investigation Division.