

# ***NEWS RELEASE***

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***OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
San Diego, California***

***United States Attorney  
Carol C. Lam***

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***For Further Information, Contact: Assistant U. S. Attorney Edward P. Allard, III (619) 557-7049***

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***For Immediate Release***

**NEWS RELEASE SUMMARY** - September 10, 2004

United States Attorney Carol C. Lam announced that United States District Judge Jeffrey T. Miller today sentenced defendant Chiu Chi Chiang in federal district court in San Diego to serve one year and one day in federal prison as a consequence of defendant Chiang's filing of a false individual income tax return, in violation of Title 26, United States Code, Section 7206(1).

According to Assistant U.S. Attorney Edward P. Allard, III, who is prosecuting the case, prior to Chiang's sentencing, he entered a guilty plea on June 4, 2004, to the tax charge. At the time of his guilty plea, defendant Chiang admitted that, for the tax years between 1997 and 2000, he filed individual income tax returns with the Internal Revenue Service in which he intentionally omitted a total of \$517,217 in business income. Defendant Chiang's failure to account for the \$517,217 on his tax returns resulted in a \$173,912 tax loss to the Government.

In addition to the criminal proceedings resulting from defendant Chiang's filing of false tax returns, defendant Chiang now faces civil proceedings before the Internal Revenue Service. During these civil proceedings, the Internal Revenue Service will seek to collect the taxes owed by defendant Chiang, as well as all penalties and interest charges on such unpaid taxes.

**DEFENDANT**

Chiu Chi Chiang

**CHARGE TO WHICH DEFENDANT PLED GUILTY**

Title 26, United States Code, Section 7206(1) - Filing a False Return - carries a maximum statutory punishment of three years in custody and a maximum fine of \$100,000.

**PARTICIPATING AGENCY**

Internal Revenue Service - Criminal Investigation Division