



**U.S. Department of Justice**

United States Attorney  
Northern District of Texas

1100 Commerce St., 3rd Fl.  
Dallas, Texas 75242-1699

Telephone (214)659-8600  
Fax (214)767-2898

FOR IMMEDIATE RELEASE  
CONTACT: 214/659-8707  
[www.usdoj.gov/usao/txn](http://www.usdoj.gov/usao/txn)

DALLAS, TEXAS  
SEPTEMBER 20, 2004

**ARLINGTON COUPLE INDICTED ON FEDERAL TAX CHARGES**

***Defendants Charged Clients to Assist Them in  
Filing Forms to Stop Federal Income Tax Withhold from Wages***

United States Attorney Richard B. Roper announced that Charles Kenton Ford and Bivian Kathryn Brumley, owners of an Arlington, Texas, business, who were arrested on Friday, will appear for arraignment before the Honorable John McBryde, United States District Judge, this Friday, September 24, 2004, at 9:00 a.m. in U.S. District Court in Fort Worth, Texas. Ford and Brumley made their initial appearance on Friday before the Honorable Charles Bleil, United States Magistrate Judge, who released Brumley and detained Ford pending a detention hearing to be held at 10:00 a.m. on Wednesday, September 22, 2004.

Charles Kenton Ford and Bivian Kathryn Brumley are charged in a nine-count indictment, which was unsealed on Friday, with various federal tax related offenses. Specifically, the nine-count indictment charges Ford and Brumley each with one count of conspiracy, in violation of 18 U.S.C. § 371. In addition, Ford is also charged with four counts of aiding and assisting in the preparation of a false and fraudulent document, in violation of 26 U.S.C. § 7206(2) and one count of making and subscribing a false document, in violation of 26 U.S.C. § 7206(1). Brumley is also charged with two counts of aiding and assisting in the preparation of a false and fraudulent document, and two counts of making and subscribing a false document.

According to the indictment, Ford and Brumley, whom the indictment states represent themselves to the public as husband and wife, owned Assets Trusts & Associates in Arlington, Texas. The indictment also states that Brumley's employer is the Fort Worth Independent School District (FWISD). The indictment charges that from April 15, 1999 until at least December 1, 2001, that Ford and Brumley conspired to defraud the United States by impeding, impairing, obstructing, and defeating the function of the IRS in its collection of income taxes.

Further, according to the indictment, Ford and Brumley operating as Asset Trusts and Associates, marketed a plan to their clients, purporting to get them out of the federal income tax system based on a false claim of non-resident alien status. For a fee of between \$400 and \$1000, Ford and Brumley assisted their clients in the filing of false IRS Forms W-4 with the clients' employers to stop federal income tax withholding from the clients' wages. The indictment also alleges that they instructed their clients to stop filing federal income tax returns and to stop paying federal income taxes.

In fact, according to the indictment, on July 23, 1999, Ford and Brumley filed a false IRS Form W-4 with her employer, the FWISD. On multiple occasions, Ford and Brumley either aided and assisted persons to file false IRS W-4 forms with employers, or themselves filed false IRS W-4 forms with their employers, to stop the withholding of federal income tax from wages.

An indictment is an accusation by a grand jury and a defendant is entitled to the presumption of innocence unless proven guilty. However, if convicted on all counts, Charles Kenton Ford faces a maximum statutory sentence of 20 years imprisonment and a \$1.5 million fine and Bivian Kathryn Brumley faces a maximum statutory sentence of 17 years imprisonment and a \$1.25 million fine.

U.S. Attorney Roper praised the investigative efforts of the Internal Revenue Service - Criminal Investigation (IRS-CI), Dallas Field Office. The case is being prosecuted by Assistant United States Attorney J. Michael Worley.