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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announce the guilty verdicts yesterday on tax counts against Khalid J. Kubweza, formerly known as "Ruben Marshall," age 47, and his wife, Lindiwe N. Kubweza, formerly known as "Linda Delores Marshall," age 44, both of Richmond, Virginia. The husband and wife are tax protestors who harassed and retaliated against more than 30 federal and state officials in Richmond, Virginia, by filing false IRS money laundering reporting forms, fraudulently stating that officials had been involved in numerous multimillion dollar cash transactions. The officials included federal and state judges, court officials, prosecutors and police officers. The case was prosecuted in Norfolk because the Kubwezas' victims included so many Richmond federal officials. The Kubwezas were convicted of one count of conspiracy and nine counts of filing fraudulent documents with the Internal Revenue Service. Each is facing a maximum penalty of 41 years imprisonment and \$2.25 million in fines. Sentencing will be before the Honorable Henry Coke Morgan on October 15, 2004.

Beginning in January 1999, the defendants had five civil or criminal encounters: an FCC enforcement action against Mr. Kubweza for operating an unauthorized FM radio station, a car tax dispute, the arrest of the Kubwezas' son, and two arrests of Mr. Kubweza. Shortly after each incident, to harass and retaliate against the involved officials, the Kubwezas filed false Forms 8300 with the Internal Revenue Service claiming that these officials had either paid or received anywhere from \$1 million to \$10 million in cash or cash equivalent. An Internal Revenue Service Form 8300 "Report of Cash Payments Over \$10,000 Received in a Trade or Business" (hereinafter "Form 8300") is required to be filed by any person engaged in a trade or business who, in the course of that trade or business, received more than \$10,000.00 in cash or cash equivalent. In total, the Kubwezas falsely claimed the state and federal officials had paid or received a total of \$37.1 million in cash or cash equivalents. Many of the officials testified at trial that after the filings of these forms, they were contacted by the IRS inquiring into these multimillion dollar transactions.

Also announcing the guilty verdicts is Susan M. Dukes, Special Agent-in-Charge, Internal Revenue Service - Criminal Investigation.

The case was prosecuted by Assistant United States Attorney David T. Maguire and David J. Ignall and Kendall Day, Trial Attorneys, Tax Division, U.S. Department of Justice.