



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

AVA MAN SENTENCED FOR OBSTRUCTING THE IRS

SPRINGFIELD, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that an Ava, Mo., man was sentenced in federal court today for obstructing the Internal Revenue Service in the collection of federal taxes owed to the government and for structuring currency transactions.

Roy Eugene Waters, 64, of Ava, Mo., was sentenced by U.S. District Judge Gary A. Fenner this afternoon to eight years and one month in federal prison without parole. The court also ordered **Waters** to pay a \$15,000 fine and to cooperate with the IRS in the payment of all tax liabilities owed. Graves noted that today's sentence reflects the longest sentence possible under the federal sentencing guidelines.

On Nov. 5, 2003, a federal jury convicted **Waters** of all nine counts of a federal indictment returned on Aug. 27, 2002.

“**Waters** went to extremes in his effort to avoid paying federal taxes,” Graves said. “Despite his threats, scare tactics and deception, the bottom line is that he will be required to fulfill his obligation to pay the taxes he owes. He will also be held accountable for his criminal tactics to dodge that obligation.”

Beginning in 1995, **Waters**, who did business as Ava Greenhouses, conducted significant greenhouse business with cash and cashier's checks.

Waters was found guilty of using threats of force to obstruct the administration of the internal revenue laws of the United States, including the determination, assessment and collection of **Waters'** federal income tax liabilities for 1991, 1992 and 1993.

Waters threatened to defend his property with guns against seizure by the IRS, Graves

added, and threatened to commit suicide. In an effort to intimidate and interfere with the IRS collection process, **Waters** also filed a series of frivolous lawsuits against the IRS. He placed notices in local newspapers threatening to sue anyone who bid on property seized by the IRS, claiming that intruders may be prosecuted, or the sale was unlawful.

Waters also filed for bankruptcy, Graves said, and listed his daughter as a secured creditor in an attempt to protect his assets from being turned over to the IRS for back taxes. “In reality,” Graves said, “she never loaned her father any money.”

Waters was also found guilty of eight separate counts of structuring currency transactions at several local financial institutions for the purpose of evading the federal reporting requirement. Graves explained that federal law requires financial institutions to report any currency transactions in excess of \$10,000. **Waters** conducted 35 financial transactions from June 23, 1998, through Oct. 11, 2000, for the purpose of evading the federal reporting requirement.

“Under federal law it is a requirement to report large cash transactions involving a single deposit of \$10,000 or more into any financial account,” said Kraig Bertram, Acting Special Agent in Charge of IRS-Criminal Investigation. “Our tax system treats these offenses seriously and the IRS has a responsibility to aggressively investigate and pursue prosecution of individuals who intentionally violate the nation’s tax and structuring laws.”

This case was prosecuted by Assistant U.S. Attorney Douglas C. Bunch. It was investigated by the Internal Revenue Service – Criminal Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow