

U.S. Department of Justice

*United States Attorney
Eastern District of Wisconsin*

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**NEWS SUMMARY: MANITOWOC MAN PLEADS GUILTY TO FILING FALSE TAX FORMS
AND SUBMITTING FICTITIOUS FINANCIAL INSTRUMENTS**

James P. Theyerl (DOB: 1/23/49), from Manitowoc, Wisconsin plead guilty on July 29, 2005 before District Judge William C. Griesbach, in Federal District Court in Green Bay, to two felony counts for filing a false IRS Form 8300 with the Internal Revenue Service (IRS) and submitting fictitious financial instruments to the Wisconsin Department of Revenue.

According to the plea agreement, Theyerl operated a charter boat business and car repair business in Francis Creek, Wisconsin. In March of 2000, the State of Wisconsin, Department of Natural Resources (DNR) conducted an investigation into the accuracy of Theyerl's charter boat records. According to the Internal Revenue Code, a person engaged in a trade or business must file a Return, Form 8300, whenever more than \$10,000 is received either in one transaction or two or more related transactions

Upon issuance of a subpoena for records, Theyerl refused to supply the records. A Kewaunee County circuit court judge issued a Notice of Motion and Motion for Remedial Contempt. These documents were served upon Theyerl by a Manitowoc County Deputy Sheriff.

In April of 2000, the IRS Detroit Computing Center received a false reporting form (IRS Form 8300) sent by Theyerl, which indicated that the Deputy Sheriff, who had served the Notice of Motion and Motion for Remedial Contempt, had paid \$1 million on behalf of Theyerl to the Secretary of the Treasury. This caused the IRS Detroit Computing Center to send a notice to the Deputy Sheriff indicating that the requested information must be supplied and failure to do so would result in penalties.

Theyerl filed 13 false 8300 Forms with the IRS against officials from the DNR, the Manitowoc County District Attorney's office, the Kewaunee County Judge, the clerk of the court and others.

Theyerl also filed 11 false 8300 Forms on Wisconsin Department of Revenue employees who sent him notices regarding his failure to pay sales and use taxes on his charter boat and car

repair businesses. Theyerl indicated on each reporting form that the person had engaged in a suspicious transaction, checking the suspicious transaction box on each form.

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Additionally, Theyerl filed eight Sight Drafts, fictitious financial instruments, in an attempt to pay off his sales tax obligations. After receiving two Sight Drafts, and before realizing that the drafts were fictitious, the State of Wisconsin ordered a refund to Theyerl for approximately \$40,000 in overpayment.

The case was investigated by the Internal Revenue Service - Criminal Investigation Division and has been assigned to Assistant United States Attorney Gale J. Hoffman.

Theyerl faces up to 25 years in prison, a \$250,000 fine, or both for submitting a fictitious sight draft to the Wisconsin Department of Revenue. Theyerl faces up to 3 years in prison, a \$250,000 fine, for both for filing a false Form 8300. A sentencing date has been set for October 27, 2005 in Green Bay.

For more information contact:
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