



Department of Justice

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FORMER ARIZONA MUNICIPAL COURT JUDGE INDICTED AS PROMOTER OF TAX EVASION SCHEME

John J. Rizzo, His Wife and an Employee Charged in 14-count Indictment

WASHINGTON, D.C. – Eileen J. O'Connor, Assistant Attorney General of the Justice Department's Tax Division, Paul K. Charlton, U.S. Attorney for the District of Arizona, and David B. Palmer, Chief, Internal Revenue Service, Criminal Investigation, today announced the return of a 14-count indictment against three individuals in the District of Arizona associated with an alleged tax evasion scheme product called the Millennium 2000 Reliance Defense Program. John J. Rizzo, Carol A. Rizzo and Cheryl A. Cully, all residents of Phoenix, were indicted.

In the indictment, brought last Friday but unsealed today, all three individuals are charged with conspiracy to defraud the United States government, in violation of Title 18, United States Code, Section 371, in connection with a scheme to hide income the Rizzos earned from the sale of a tax evasion product called the Millennium 2000 Reliance Defense Program. The indictment alleges that John Rizzo, a former, part-time municipal court judge in Tolleson, Ariz., owned and operated a business called Millennium Publishing through which he and his wife, Carol Rizzo, marketed and sold the Millennium 2000 Reliance Defense Program. The indictment alleges that John and Carol Rizzo concealed income from the IRS by, among other things, transferring a sum of \$301,700 to a foreign bank account located in the Bahamas. The indictment further alleges that John Rizzo and Cully, an employee of the Rizzos, furthered the conspiracy by providing

false and misleading testimony before a federal grand jury in the District of Arizona.

The indictment individually charges John Rizzo and Cully with perjury and obstruction of justice in violation of Title 18 United States Code Sections 1623 and 1503, respectively, based on false testimony each allegedly provided to the grand jury sitting for the District of Arizona.

The indictment individually charges John and Carol Rizzo with willfully failing to file income tax returns for the tax years 1999 through 2001 despite earning sufficient gross income in violation of Title 26, United States Code, Section 7203.

Lastly, the indictment charges John Rizzo with willfully aiding and assisting a third party in the preparation of a false income tax return in violation of Title 26 United States Code, Section 7206(2).

An indictment is merely an accusation. Defendants are presumed innocent until and unless proven guilty.

This prosecution is the result of an investigation by the Internal Revenue Service Criminal Investigation of the United States Department of Treasury. The case is being prosecuted by Tax Division trial attorneys Edward E. Groves, Mark T. Odulio, and Larry J. Wszalek.

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