



PRESS RELEASE

FOR IMMEDIATE RELEASE
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FORMER CPA SENTENCED TO 39 MONTHS IN PRISON FOR TAX FRAUD

Paul K. Charlton, United States Attorney for the District of Arizona, Eileen J. O'Connor, Assistant Attorney General, Tax Division, Department of Justice, and Debra King, Special Agent in Charge, jointly announce that **RALPH N. WHISTLER** (dob 6/24/54) of San Diego, California, formerly of Flagstaff, Arizona, was sentenced late Monday, November 24, 2003, to 39 months in prison for aiding and assisting in the preparation and filing of false 1995 federal income tax returns.

WHISTLER was also ordered to pay a \$15,000 fine.

WHISTLER worked in Flagstaff as a certified public accountant from about 1980 through 1996 and prepared individual and corporate income tax returns for over one thousand clients. In 1995, **WHISTLER** attended a National Trust Service ("NTS") seminar in California at which he purchased a so-called "trust package" for himself that purported to legally reduce his federal income tax liabilities. **WHISTLER** modified this "trust package" and sold it to approximately twenty clients for between \$5,000 - \$10,000 per client. **WHISTLER** then directed these clients to transfer their income to and through a series of bank accounts titled in the names of trusts. **WHISTLER** falsely claimed the amounts placed in these bank accounts as deductions on his clients' federal income tax returns.

WHISTLER was convicted in August 2003 after a lengthy jury trial in Prescott, Arizona of 15 felony counts of preparing false federal income tax returns for the clients who purchased his trust

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program. **WHISTLER's** clients were not charged with any crime and were not accused of any wrongdoing.

This case was prosecuted by Trial Attorneys from the Department of Justice's Tax Division and was the culmination of an investigation conducted by the Internal Revenue Service - Criminal Investigation.

For more information on abusive trust schemes, please visit the Criminal Investigation link on the Internal Revenue Service's web site, <http://www.treas.gov/irs/ci>.

CASE NUMBER: CR-02-0879-PCT-RCB
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