



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

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FORMER TEXAS ATTORNEY GENERAL DAN MORALES PLEADS GUILTY

United States Attorney Johnny Sutton announced today that former Texas Attorney General **Dan Morales** pled guilty to mail fraud and filing a false tax return. Morales entered his plea this morning before United States District Judge Sam Sparks.

"Public officials are entrusted to carry out justice in an honest and fair way - not to seek personal enrichment. When they violate that trust they must be held accountable. One of the greatest things about America is that no one is above the law. By pleading guilty today, Dan Morales admitted that he back-dated official government contracts and forged government records to defraud the public and court and that he committed tax fraud by lying about his income," stated **U.S. Attorney Johnny Sutton**.

Morales pled guilty to Counts 9 and 11 of the March 6, 2003, indictment. By pleading guilty to Count 9 of the indictment, he admitted that he back-dated official government contracts and forged government records for his personal enrichment and that of his friends.

"This conviction underscores the fact that we all must be constantly vigilant in dealing with public corruption at all levels. Cooperation in these types of investigations is critical to insure public faith in government entities. This conviction sends a clear message that corruption of public officials will not be tolerated and will be swiftly dealt with," stated **Special Agent in Charge Patrick A. Patterson**, Federal Bureau of Investigation, San Antonio Division

Count 11 of the indictment references Morales claiming his 1998 income as \$39,734 when he knew the income to be substantially in excess of the amount stated on his income tax return.

"No one, including the former Texas Attorney General is above the law. This guilty plea sends a clear message that filing a false tax return is a serious crime against the American public," stated **Enrique Fasci, Special Agent in Charge**, IRS Criminal Investigation. "All income, regardless of the source, is fully taxable and the IRS is committed to investigate those who do not fully pay their federal income taxes."

Morales faces up to 4 years in federal prison and will be sentenced at a later date. The case was investigated by the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation. Assistant United States Attorneys Sharon Pierce, Jim Blankinship and John Phinizy are prosecuting this case on behalf of the government.

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