



The United States Attorney's Office

District of Nebraska

Press Releases

Conviction -- Mark and Salwa Gustafson

March 28, 2007

FOR IMMEDIATE RELEASE

United States Attorney Joe W. Stecher and the Internal Revenue Service announce the following information for the attention of the media:

Event Triggering this Release: Mark and Salwa Gustafson of Lincoln, Nebraska, have been convicted of tax evasion for the 1998, 1999 and 2000 tax years and of willful failure to file tax returns for the 1999 and 2000 tax years. The convictions resulted from a jury trial in Omaha that began on March 19, 2007, and ended on March 27, 2007. The Honorable Lyle E. Strom presided over the trial and will sentence the Gustafsons on July 6, 2007.

Evidence at trial established that despite gross receipts of close to a million dollars, the Gustafsons did not file returns in 1998, 1999 or 2000. They used sham business trusts and offshore accounts to conceal money derived from Mark Gustafson's chiropractic practice. The evidence established net income of approximately \$495,000 for the three tax years with taxes due and owing of approximately \$170,000.

April 17 is approaching. It is important that all citizens file a timely return. "Establishing abusive trusts and offshore accounts designed to disguise income for the purpose of evading taxes is a crime," stated James D. Vickery, Special Agent in Charge of IRS-Criminal Investigation. "As evidenced by the jury's decision, this verdict shows that the law is crystal clear: people must pay their taxes. There is no gray area on this issue."

Mr. Stecher expressed his appreciation to the Internal Revenue Service for their service in this case.

Name of Defendants: Mark and Salwa Gustafson

AKA:

Age: 38 and 46, respectively

City of residence: Lincoln, Nebraska

Crime(s) Charged and Potential Penalty (A CHARGE is merely an accusation and every defendant is presumed innocent until and unless proven guilty): Income Tax Evasion and Willful Failure to File.

Maximum penalty: On each of Counts I-III, Five years imprisonment, \$250,000 fine, \$100 special assessment, three years supervised release; on each of Counts IV-V, one year imprisonment, \$100,000 fine, \$25 special assessment, one year supervised release.

Specific Location of Alleged Crime: Lincoln, Nebraska

Location of Arrest:

Alleged Dollar Loss/Type and Quantity of Drug:

Others Charged in Same Scheme:

Relevant Dates:

Date of Alleged Crime: 1998 through 2000

Federal Arrest Date: