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FOR IMMEDIATE RELEASE
APRIL 18, 2007
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PRESIDENT OF SALINAS COMPANY CHARGED WITH TAX FRAUD AND UNLAWFUL STRUCTURING OF CURRENCY TRANSACTIONS

SAN JOSE, CA – United States Attorney Scott N. Schools announced that a federal grand jury in San Jose last week indicted Curtis Leigh Parry, formerly of Salinas, California, with three counts of tax evasion, three counts of filing false corporate tax returns and two counts of unlawful structuring of currency transactions. These charges are the result of an investigation by the Internal Revenue Service - Criminal Investigation.

According to the indictment, Mr. Parry was the President of Salinas Valley Engineering & Manufacturing Inc. During 2001, 2002 and 2003, the defendant is alleged to have filed false corporate tax returns in which the taxable income was substantially understated. During this same period he filed individual income tax returns where he evaded the income tax owed for the calendar years 2000, 2001 and 2002. He is also alleged to have knowingly structured currency transactions at a business named Music Center, in April, May and June of 2002, for the purpose of evading reporting requirements.

Mr. Parry was arrested yesterday afternoon in Sacramento, CA, and will make his initial appearance on this indictment in federal court in Sacramento today.

The maximum statutory penalty for each count of tax evasion in violation of 26 U.S.C. § 7201 is five years imprisonment and a fine of \$100,000. The maximum statutory penalty for each count of 26 U.S.C. § 7206(1), filing false tax returns, is three years and a fine of \$100,000. The maximum statutory penalty for each count of structuring currency transactions in violation of 31 U.S.C. § 5324(a)(3) is five years and a fine of \$100,000. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

An indictment contains only allegations against an individual and, as with all defendants, Mr. Parry must be presumed innocent unless and until proven guilty.

Joseph Fazioli is the Assistant U.S. Attorney who is prosecuting the case with the assistance of Kathy Huynh. The prosecution is the result of an investigation by the Internal Revenue Service - Criminal Investigation.

Further Information:

Case #: CR 07-00215 JF

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Natalya LaBauve at (415) 436-7055 or by email at Natalya.LaBauve@usdoj.gov.

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