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PENSACOLA WOMAN SENTENCED TO TWO YEARS IN FEDERAL PRISON FOR TAX FRAUD

Pensacola, Florida - Gregory R. Miller, United States Attorney for the Northern District of Florida, announced that Mary R. Ham, co-defendant of Fred "Sport" Suttles, was sentenced to two years in prison today on conviction for one count of Conspiracy to Defraud the Internal Revenue Service (IRS)

Following a ten-day trial, a jury returned guilty verdicts against Suttles and Ham on January 18, 2007. Evidence at trial focused on Suttles' maneuverings to hide assets and avoid payment of taxes for some sixteen (16) years. Ham lent her name to help Suttles hide assets, serving as head of "Diamond Brokers" and "C&R Corporation" since 1996, though evidence at trial proved she had little to do with their operation. Instead, the Government's proof showed that Suttles created two ways to funnel money to Ham to maintain her luxurious lifestyle and to avoid payment of taxes. He created a fake loan account on the books of Diamond Brokers, and paid Ham under the guise of a "loan repayment." Suttles also made Ham an "employee" of Diamond Brokers, enabling her to draw a salary three times that of some employees, although she did not actually work for Suttles' business. Suttles and Ham misrepresented to IRS that Suttles was Ham's employee at Diamond Brokers, paid a nominal weekly salary.

United States District Judge M. Casey Rodgers also required Ham to pay a \$10,000 fine. After her release from prison, Ham will be required to serve 3 years on supervised release. Ham was ordered to report to her designated institution by July 30, 2007

On April 26, 2007, Judge Rodgers sentenced Suttles to fourteen (14) years imprisonment and ordered him to pay over \$800,000 restitution to the IRS and to pay the costs of prosecution. Judge Rodgers further assessed a \$1,000 special monetary assessment, and placed Suttles on three years of supervised release following completion of his prison term.

The investigation was conducted by IRS Criminal Investigation. The case was prosecuted by Assistant U.S. Attorney Michelle M. Heldmyer.