



UNITED STATES ATTORNEY'S OFFICE

*United States Attorney Donald W. Washington
Western District of Louisiana*

United States Courthouse • 300 Fannin Street, Suite 3201 • Shreveport, Louisiana 71101-3068 • (318) 676-3600
United States Courthouse • 800 Lafayette Street, Suite 2200 • Lafayette, Louisiana 70501-7206 • (337) 262-6618

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Contact: Donald W. Washington (337-262-6618)
William J. Flanagan (318-676-3600)

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GARY HOOVER PLEADS GUILTY TO TAX FRAUD CHARGE

Monroe, Louisiana . . . GARY D. HOOVER of Monroe, Louisiana, age 52, pleaded guilty in federal court Thursday to a Bill of Information charging one count of filing fraudulent returns and other documents, United States Attorney Donald W. Washington announced.

HOOVER admitted to filing 23 false documents with the IRS between September 2002 and June 2004 involving five automobile dealerships which he and other family members owned. HOOVER and his two sisters and his cousin, collectively called the Hoover Group, owned interests in Ruston Ford Lincoln Mercury, Twin City imports, Diamond Dodge Chrysler Jeep, Rayville Autoplex, and LaPlace Dodge Chrysler Jeep. The ownership interests were held by HOOVER and his sisters and cousin either directly or indirectly through Vision Quest, LLC. Each member of the Hoover Group owned a 25% share of Vision Quest.

HOOVER, a CPA himself, directed his accountant to allocate excessive company losses to the Hoover Group and Vision Quest, although HOOVER knew that the ownership percentages given to the accountant were incorrect. HOOVER then hired another CPA to carry these net operating losses back to prior years by filing amended tax returns, which caused HOOVER and his sisters and cousin to receive refunds of taxes previously paid to the IRS.

HOOVER supervised the preparation of the individual tax returns of the Hoover Group and the partnership tax return of Vision Quest. HOOVER signed and filed his personal returns and that of Vision Quest. He reviewed the returns for the other members of the Hoover group and then presented the returns for their signature. The loss to the government for the misrepresentations of GARY HOOVER total \$550,019 for criminal purposes for all of the involved returns. Calculations to determine what civil assessment was due to the government, including interest and penalties, total \$2,339,550, an amount collected from Hoover at the time of the plea.

HOOVER faces a maximum penalty of one year in prison or a fine of \$100,000, or both. He will be sentenced by U. S. District Judge James on March 3, 2009. Sentencing in federal court is determined by the discretion of federal judges and the governing statute. Parole has been abolished in the federal system.

This case was investigated by the Internal Revenue Service - Criminal Investigations, Shreveport Resident Agency, and is being prosecuted by Assistant U.S. Attorney C. Mignonne Griffing.

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