

TO: Interested Media
FROM: BUD CUMMINS, United States Attorney
DATE: March 23, 2004
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LITTLE ROCK, AR– U.S. Attorney Bud Cummins announced that Gary Ingle appeared in United States District Court Eastern District of Arkansas and pleaded guilty yesterday before U.S. District Judge James M. Moody to failing to collect or pay over employment taxes from 1997 through 2000 and failure to file personal income taxes from 1997 through 2000. Ingle faces maximum penalties of 6 years in prison and \$350,000 in fines when he is sentenced later this year.

Ingle admitted during the hearing that he, as President/CEO and sole shareholder, was responsible for the collecting and paying over of employment taxes for his employees at Environmental Data Services, Inc. (EDSI), to the Internal Revenue Service and that he willfully failed to perform these duties. During the hearing it was revealed that Ingle instead used these funds for personal living expenses and the acquisition of personal assets. Ingle also admitted that he was personally required to file an individual income tax return for calendar year 2000 and he failed to timely file this return as required by law.

According to the plea agreement filed during the hearing, Ingle agreed that the criminal tax loss to the government as a result of these offenses is \$463,000 in employment taxes and \$57,760 in personal income taxes. Ingle agreed to the entry of an order of restitution to the Internal Revenue Service by the court for the identified tax loss amounts.

This investigation was conducted by IRS Criminal Investigation.