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## **For Immediate Release**

### **FORMER PROSECUTOR CHRIS KEY AND ALBUQUERQUE DENTIST RUBEN MARTINEZ SENTENCED FOR TAX FRAUD**

Prominent New Mexico attorney Chris S. Key and Albuquerque dentist Ruben J. Martinez were sentenced today, May 5, 2004, for their part in a continuing international tax fraud case. Each pleaded guilty last year to filing false tax returns that made use of phony offshore tax shelters. United States District Judge William P. Johnson sentenced Key to three years of probation and 300 hours of community service, and full cooperation with the IRS in payment of back taxes, interest and penalties. He must also notify every bar to which he has been admitted to practice law of the fact that he is now a convicted felon which could result in his disbarment.

Martinez was sentenced to two years probation and will be required to provide 300 hours of community service. He is also required to provide full cooperation to the IRS in payment of penalties and interest. He must also present himself before the Dental Board for possible sanctions which may include the loss of his dental license.

According to a government sentencing letter filed with the Court, Key filed false income tax returns every year between 1994 and 2000, defrauding the IRS of a total of \$425,463 in taxes. In his false returns, Key claimed large losses from a warehouse operation in Costa Rica, Central America, even though there was no such warehouse. Key, a former Rhodes Scholar and former Special Prosecutor for the State of New Mexico, now faces possible disbarment or other sanctions from the State Bar.

Martinez filed false returns every year between 1994 and 1999, defrauding the IRS of a total of \$599,305. The Martinez returns claimed losses on a dental supply company, also located in Costa Rica, called Compania Ruma Dental. Martinez too faces disciplinary action from the New Mexico dental licensing board.

Key and Martinez sought reduced sentences by cooperating with the government against the international network that supported the filing of their false returns. On January 27, 2004, Albuquerque tax attorney and CPA Matthew E. Cohen admitted to his role in the tax fraud scheme, and pleaded guilty to conspiracy, tax evasion and assisting in the preparation of false tax returns. In its sentencing letter on behalf of Key and Martinez, the government cited the cooperation of the two men as a critical factor in obtaining the Cohen guilty plea.

United States Attorney David C. Iglesias said: "It's tragic that these two men, who were capable of contributing so much to society, chose to throw everything away because of simple greed. Key and Martinez are highly skilled professionals who were favored by fortune with great

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accomplishments and substantial legitimate incomes. They will live the rest of their lives as felons because they cheated on their taxes. Tax fraud places an unfair burden on all law abiding citizens. I am committed to the continuation of this case to identify and punish all persons who participated in these frauds.”

The case was investigated by the Internal Revenue Service and the New Mexico Department of Taxation and Revenue, and was prosecuted by Assistant U.S. Attorney Jonathon Gerson.

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