

# ***NEWS RELEASE***

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## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California***

***United States Attorney  
Carol C. Lam***

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***For Further Information Contact: Assistant U.S. Attorney Edward P. Allard III (619) 557-7049***

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***For Immediate Release***

### **NEWS RELEASE SUMMARY** - April 14, 2004

United States Attorney Carol C. Lam announced the unsealing of an indictment returned yesterday by a federal grand jury in San Diego charging David R. Williams with four counts of income tax evasion in violation of Title 26, United States Code, Section 7201.

U.S. Attorney Lam stated that the indictment alleges that defendant WILLIAMS willfully attempted to evade and defeat taxes he knew were due and owing to the United States for tax years 1997 through 2000. The indictment also alleges that defendant WILLIAMS was employed from 1997 through 2000 by John Burnham & Company as a Senior Vice President in Burnham's Commercial Insurance Division in San Diego. According to the indictment, John Burnham & Company paid defendant WILLIAMS \$722,820 in wages and compensation from 1997 to 2000. Although defendant WILLIAMS was paid these wages and other compensation, defendant WILLIAMS failed to file income tax returns for tax years 1997 through 2000. According to Assistant United States Attorney Edward P. Allard, III, the prosecutor assigned to the case, the indictment further alleges that on or about January 17, 1997, defendant WILLIAMS signed a 1997

Withholding Exemption Certificate (In Lieu of Form W-4) in which defendant declared that he incurred no liability for federal income tax in 1997 and that he anticipated incurring no liability for federal income taxes in 1998. On or about January 17, 1997, defendant WILLIAMS also signed an Affidavit of Citizenship and Domicile and a Certificate of Foreign Status (W-8) in which he declared that he was not a U.S. citizen. Assistant U.S. Attorney Allard added that the indictment alleges that defendant WILLIAMS caused his employer, John Burnham & Company, to fail to withhold federal income taxes from the wages and compensation Burnham paid to defendant WILLIAMS from 1997 through 2000.

United States Attorney Lam stated, "Tax evasion schemes harm all law-abiding taxpayers and undermine the integrity of our tax system."

Denise L. Rubin, IRS Criminal Investigation Division Special Agent-in-Charge for San Diego stated, "Most taxpayers choose to report the income they receive and file honest tax returns. IRS Criminal Investigation Division will continue to aggressively investigate those that do not pay their fair share."

Defendant WILLIAMS is scheduled to be arraigned tomorrow at 10:30 a.m. before United States Magistrate Judge Jan M. Adler.

### **DEFENDANT**

DAVID R. WILLIAMS

### **SUMMARY OF CHARGES**

Title 26, United States Code, Section 7201 - Tax Evasion

### **MAXIMUM SENTENCE**

Title 26, United States Code, Section 7201 carries a maximum statutory punishment of five years in custody and a maximum fine of \$100,000.00.

### **PARTICIPATING AGENCY**

Internal Revenue Service, Criminal Investigation Division

**An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court or proving guilt beyond a reasonable doubt.**