



NEWS RELEASE

Drew H. Wrigley
United States Attorney
District of North Dakota

655 First Ave. N. Suite 250 *P. O. Box 699*
Fargo, ND 58102-4932 *Bismarck, ND 58502-0699*
701-297-7400 *701-530-2420*

For Further Information Contact: Beth Lang (701-530-2420)

FOR IMMEDIATE RELEASE

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Former Burke County State's Attorney Pleads Guilty to Tax Evasion and Mail Fraud

MINOT - United States Attorney Drew H. Wrigley today announced that **Richard C. Wilkes** of Bowbells, North Dakota, pleaded guilty before United States District Court Chief Judge Daniel L. Hovland to charges of tax evasion and mail fraud.

Wilkes, 60, served as the Burke County State's Attorney from 1993 until his suspension from practice by the North Dakota Supreme Court on January 15, 2004, which was continued by order issued January 26, 2004. During his years of practice, **Wilkes** also conducted a private law practice in Bowbells and Kenmare, ND.

Wilkes pleaded guilty to willfully attempting to evade and defeat the assessment of income tax he owed to the United States for the year 2001. He filed a fraudulent Individual Income Tax Return, Form 1040, which showed the total amount of taxable income that **Wilkes** reported for 2001 was the sum of \$41,747.00 and that the amount of tax due was \$10,344.00 when in fact his income was approximately \$599,662.00 and the tax due was \$222,321.00.

Wilkes also pleaded guilty to one count of mail fraud, based upon his admission that he had devised and carried out a scheme to fraudulently obtain money and property from the estates of Magdalena and Hulda Jordy by arranging for his own appointment as personal representative and attorney for both estates without making full and proper disclosure to the heirs of the estates.

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While acting as attorney and personal representative of the estates, **Wilkes** immediately began withdrawing large amounts of cash from both estates for his own use. **Wilkes** used that cash to provide large amounts of money and goods, including cars, jewelry, airline tickets, and hotel rooms to at least six exotic dancers in various bars in the state of North Dakota.

Wilkes mailed partial distribution checks from the estates to the heirs of the estates, but made no mention of, and provided no accounting for, the amounts of money he had paid himself. As part of the scheme, **Wilkes** prepared promissory notes to the Jordy estates, however, the heirs were never advised of the claimed notes and did not agree to any such loan amounts or loan terms.

The charge of tax evasion carries a statutory maximum penalty of five years' imprisonment, a \$100,000 fine, one year of supervised release, and a \$100 special assessment. The charge of mail fraud carries a statutory maximum penalty of 20 years' imprisonment, a \$250,000 fine, three years of supervised release, and a \$100 special assessment.

The case was investigated by the Internal Revenue Service.

Sentencing for **Wilkes** has been scheduled for December 1, 2004, at 11:30 a.m. in United States District Court in Minot, North Dakota.

The case was prosecuted by Assistant U.S. Attorney David Peterson.

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