

**MEDIA RELEASE**



**Attention: News Director  
For Immediate Release  
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**U.S. DEPARTMENT OF JUSTICE  
DAVID L. HUBER  
UNITED STATES ATTORNEY  
Western District of Kentucky**

**Contact: Sandy Focken  
United States Attorney's Office  
(502) 582-5911**

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**LAKE FOREST BUSINESSMAN PLEADS GUILTY TO \$2.4 MILLION  
TAX EVASION SCHEME**

**FORFEITS OVER \$1 MILLION IN ASSETS TO THE I.R.S.**

- Agrees to an imprisonment term of almost 3.5 years*
- Hid almost \$1 million in luxury autos, jewels, and a 72' Florida yacht*

David L. Huber, United States Attorney for the Western District of Kentucky, and Cleve Daniels, Special Agent In Charge, Internal Revenue Service, Criminal Investigation Division, Nashville Field Office, announced today that on Friday, February 2, 2007, **LARRY H. JOEL**, age 60, of Lake Forrest Subdivision, 2502 Champion Lakes Court, Louisville, Kentucky, pleaded guilty in United States District Court to charges of evasion of the payment of federal income taxes and conspiracy to defraud the I.R.S. As part of the Plea Agreement, **Joel** agreed to a sentence of 41 months imprisonment, to serve a term of 3 years supervised release, and to forfeit to the I.R.S. over a million dollars of personal assets.

**Joel** pleaded guilty, two days before he was to be tried, to evading the payment of nearly \$2.4 million in federal income taxes dating back to 1991. **Joel** owed the I.R.S. these taxes based on audits of his 1991 through 1994 income tax returns. In particular, the I.R.S. discovered that in 1991 he failed to report on his federal income taxes over \$7 million dollars that he received from a

consulting agreement. The consulting agreement was part of a 1991 sale of a business, Ophthalmic Research Group International, partially owned by **Joel** that he sold to Pearl Vision in 1991. In addition, **Joel's** 1992 through 1994 federal income taxes were audited by the I.R.S. and it was determine that he owed respectively \$15,597, \$49,001, and \$87,269 in additional taxes for these years.

In 1998, **Joel** agreed with the I.R.S. audits of his 1991 through 1994 federal income tax returns. Since that time, however, **Joel** has evaded the payment of these taxes by hiding his income and assets from the I.R.S. through various sham trusts.

The Second Superseding Indictment to which **Joel** pleaded guilty charges him with multiple affirmative acts of tax evasion occurring between 1995 and continuing through 2004. In the Plea Agreement, **Joel** admitted to using a number of financial schemes to hide his ownership of assets and receipt of income. These schemes included his use of shame trusts, nominee corporations, nominee bank accounts, and various other fraudulent means of holding and titling assets. In particular, **Joel** has used a trust to conceal his ownership of a 72' Leopard Sport yacht docked in St. Petersburg, Florida. He also fraudulently used various business entities, including Sunshine Motorcar Company, GM Leasing, and Red Carpet Leasing, to hide his ownership of luxury motor vehicles including a 1992 Lincoln Town Car limousine; two 2002 Cadillac Escalades; a 1997 Jaguar convertible; a 2001 Mercedes 5.5 AMG; two 2001 Harley Davidson Deuce motorcycles; a 2003 H2 Hummer; and a 2005 Harley Davidson Model FLHSI motorcycle. In addition, **Joel** also fraudulently used various bank accounts, including MEC, Inc., Lab Components, Inc., and A. J. Trust, to hide his personal income and expenditures. **Joel** has used these accounts to pay for, among other things, country club dues and to purchase jewelry, all the while still owing the I.R.S. nearly \$2.4 million in federal income taxes.

In addition and as part of his plea agreement, **Joel** agreed to forfeit the following property seized for forfeiture in a related civil forfeiture action (*United States One Tract of Property, et al.*, Civil Action Number: 3:06CV-79H):

- a. 2001 Harley Davidson Deuce motorcycle;
- b. 1955 Chevrolet Bel Air Convertible;
- c. 1958 Chevrolet Impala;
- d. 1990 Ferrari 348;
- e. 1992 Ford Crown Victoria, remade as a 1943 Packard LeBaron Roadster;
- f. 1999 Chevrolet Corvette Convertible;
- g. 1948 Cadillac;
- h. 1993 Ducati Motorcycle;
- i. 1997 Jaguar Convertible;
- j. 2002 Cadillac Escalade;
- k. Four bank accounts containing over \$82,000;
- l. 1990 71' Leopard Sport Express Style Motor Yacht Built by Cantiere Navale, Arno Italy; and
- m. Miscellaneous jewelry seized at **Joel's** residence (including several Rolex watches).

The estimated value of the vehicles and the yacht alone is almost \$1 million.

The case is being prosecuted by Assistant United States Attorney Bryan R. Calhoun and Amy Sullivan, and it was investigated by the Internal Revenue Service, Criminal Investigation Division.

The Court has yet to set a sentencing date for **Joel**.

**- END -**

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