



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Linda Cochran

**Owner of a Financial Service Business Pleads Guilty to
Filing a False Return.**

Linda Cochran, 58, of Goodrich and formerly of Swartz Creek, Michigan, pleaded guilty to one count of a three-count Indictment charging her with willfully filing a false tax return, signed under penalties of perjury, United States Attorney Stephen J. Murphy announced. Cochran entered the guilty plea in United States District Court before Judge Paul V. Gadola.

Murphy was joined in the announcement by Maurice Aouate, Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

According to the court records, Cochran owned and operated Elite Financial Services, Swartz Creek, Michigan, which provided clients with accounting and tax return preparation, among other services. She also owned several real properties, along with her husband, which were rented to tenants. While preparing their 2001 tax return, Cochran deliberately understated the gross receipts from her business, along with understating rent received and overstating expenses on the rental properties. The 2001 tax return, signed under penalties of perjury, reported no joint taxable income, while their true income was over \$95,000. According to the Indictment, during tax

years 1999, 2000, and 2001, she fraudulently reported approximately \$10,000, when she should have reported approximately \$258,000 in joint taxable income.

U.S. Attorney Stephen J. Murphy said, "Like voting and jury service, the voluntary payment of taxes is a duty of all American citizens. Taxes are the costs we pay for our ordered democracy, and those who intentionally avoid paying taxes or cheat the system will be aggressively prosecuted."

"It is the responsibility of every taxpayer to file correct and accurate federal tax returns, especially someone who makes their living advising others to do just that," stated Aouate.

Cochran also agreed to file accurate tax returns prior to her sentencing, which is scheduled for April 10, 2007, at 2:00 pm.

United States Attorney Murphy thanked the Internal Revenue Service Criminal Investigation for their investigation of the case. The United States was represented by Assistant United States Attorney Robert W. Haviland.