



United States Attorney's Office District of Connecticut Press Release

**March 8, 2007 FLORIDA MAN INVOLVED IN TAX EVASION SCHEME SENTENCED TO
FEDERAL PRISON**

Kevin J. O'Connor, United States Attorney for the District of Connecticut, announced that WADE SHAVELL, age 45, of 208 Garden Road, Palm Beach, Florida, formerly of Westport, Connecticut, was sentenced today by United States District Judge Mark R. Kravitz in New Haven to three months of imprisonment, followed by three years of supervised release. Judge Kravitz also ordered SHAVELL to spend the first six months of his term of probation confined to his home, to perform 120 hours of community service, and to pay a fine in the amount of \$100,000. On September 6, 2006, SHAVELL waived indictment and pleaded guilty to one count of tax evasion.

According to documents filed with the Court, WADE SHAVELL, while a resident of Westport, incurred significant capital gains as a result of the sale of his real estate company in 1999. He also maintained a condominium in Palm Beach, Florida. WADE SHAVELL's mother, Patricia Shavell, asked Jerrold L. Ketover to create a fraudulent appraisal of personal property purportedly donated by Wade Shavell to *Douglas Gardens Thrift Shop* ("Douglas Gardens"), a charitable organization under Internal Revenue Code located in Miami, Florida. Ketover agreed to do so and created a fraudulent appraisal for property purportedly donated by WADE SHAVELL to Douglas Gardens. The appraisal, which was dated November 8, 1999, stated that the fair market value of the property purportedly donated was \$198,140. Patricia Shavell paid Ketover \$3,500 for the fraudulent appraisal.

After the first appraisal was completed, Patricia Shavell requested that Ketover create another fraudulent appraisal for the 1999 tax year. Ketover created a second fraudulent appraisal dated December 17, 1999, which stated that the fair market value of the additional property purportedly donated to Douglas Gardens was \$124,210. Patricia Shavell paid Ketover an additional \$3,500 for this second fraudulent appraisal.

In August 2000, WADE SHAVELL filed a Form 1040, U.S. Individual Tax Return for the year 1999. Schedule A of the Form 1040 was based on Ketover's fraudulent appraisals indicating that WADE SHAVELL had made \$322,610 in non-cash charitable contributions.

In or about April 2001, Ketover created a third false and fraudulent appraisal of personal property that WADE SHAVELL purportedly donated to Douglas Gardens in the year 2000. This appraisal, dated November 6, 2000, stated that the fair market value of property purportedly donated by WADE SHAVELL to Douglas Gardens was \$301,785. Ketover received \$9,000 in return for creating this third fraudulent appraisal.

In October 2001, WADE SHAVELL filed a Form 1040 for the 2000 tax year.

Schedule A of the Form 1040 was again based on Ketover's fraudulent appraisal.

WADE SHAVELL, Patricia Shavell and Ketover attempted to conceal the fraudulent nature of the appraisals from the Internal Revenue Service during a civil audit of WADE SHAVELL's tax returns initiated in September 2001. WADE SHAVELL and Patricia Shavell continued to conceal the fraudulent nature of the appraisals from the IRS, which initiated a subsequent criminal investigation in December 2002. On April 29, 2003, WADE SHAVELL, knowing that he did not donate the furniture items contained on the fraudulent appraisals prepared by Ketover, stated to Special Agents of the Internal Revenue Service – Criminal Investigation that he did, in fact, donate the items.

The total amount of fraudulent deductions on WADE SHAVELL's 1999 and 2000 tax returns was \$624,395, and the tax loss resulting from the offenses was \$181,461.

Judge Kravitz sentenced WADE SHAVELL below the 12 to 18 months of imprisonment recommended by the federal sentencing guidelines based on an extraordinary physical impairment from which SHAVELL suffers. SHAVELL has been ordered to report to a facility to be designated by the Bureau of Prisons on April 30, 2007.

On March 6, 2007, Patricia Shavell was sentenced to three years of probation for aiding and abetting the filing of a false and fraudulent document with the Internal Revenue Service. Judge Kravitz also ordered her to spend the first six months of her probation confined to her home, and to perform 360 hours of community service. In addition, Judge Kravitz ordered her to pay a fine in the amount of \$362,922, the maximum allowed under the statute.

On April 18, 2006, Ketover pleaded guilty to one count of conspiracy to defraud the Internal Revenue Service. He is scheduled to be sentenced on March 30.

This case was investigated by Internal Revenue Service – Criminal Investigation Division. The case was prosecuted by Assistant United States Attorney Eric J. Glover.

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