



United States Attorney's Office District of Connecticut Press Release

June 1, 2007

EASTON MAN WHO FILED FALSE TAX RETURNS IS SENTENCED

Kevin J. O'Connor, United States Attorney for the District of Connecticut, announced that KARL W. OLSON, age 58, of Silver Hill Road, Easton, Connecticut, was sentenced today by Senior United States District Judge Ellen Bree Burns in New Haven to two years of probation for subscribing a false tax return. Judge Burns also ordered OLSON to pay a fine in the amount of \$10,000. OLSON pleaded guilty to the offense on December 21, 2005.

According to documents filed with the Court and statements made in court, OLSON admitted that he had filed a 1999 joint income tax return in which he reported a tax liability of \$5,187 based on taxable income of \$7,792, when the correct tax liability was \$59,023 based on taxable income of \$165,946. Similarly, for tax year 2000, OLSON reported a tax liability of \$7,109 based on taxable income of \$14,904, when the correct tax liability was \$58,684 based on taxable income of \$164,558.

OLSON further admitted that, in 1998, he formed a sham business trust to which he contributed all of his personal and business assets. In his 1999 and 2000 joint income tax returns, OLSON claimed false business deductions in order to report substantially reduced tax liability and taxable income amounts. These purported business deductions were based on, among other things, his family's personal expenses, such as "auto," which were purchases of family vehicles, and "pension," which were personal certificates of deposit.

This case was investigated by the Internal Revenue Service – Criminal Investigation Division. The case was prosecuted by Assistant United States Attorney Harold H. Chen.

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