

U.S. Department of Justice

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NEWS RELEASE

**For Immediate Release
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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Michael A. Cain, age 57, of Largo, Florida, and formerly of Clifton and Reston Virginia, pleaded guilty today before the Honorable T.S. Ellis, III, United States District Court Judge for the Eastern District of Virginia, to attempting to evade income taxes for the year 1997. Cain had been indicted for attempting to evade income taxes for the years 1989 - 90; 1992; 1994 - 1997.

Cain made false statements to IRS revenue officers when they attempted to collect taxes, interest and penalties from him during the years 1991 through 2001. Cain faces a maximum penalty of five years in prison, full restitution, and a fine of \$250,000. He also agreed to file correct tax returns and pay all taxes, interest and penalties due for the years 1989 through 2001. Judge Ellis set sentencing for October 4, 2002.

During the years 1991 through 2000, Cain was a self-employed computer programmer and deposited business income into a business checking account in the name of another individual, trading as Service CPM. When Cain was contacted by the revenue officers, he falsely stated that significant monthly payments were being made to the IRS and made false statements regarding his financial status. He filed income tax returns for the years 1995 through 2000 that failed to report all the income he received. Cain also attempted to conceal his income with the use of cash transactions, and cashed approximately \$550,000 in business receipt checks at a storefront check cashing business.

The case was investigated by agents of the Internal Revenue Service, Criminal Investigation Division and prosecuted for the United States by Assistant United States Attorney Dana Boente.