



*Office of the United States Attorney  
District of Arizona*

FOR IMMEDIATE RELEASE  
Monday, November 17, 2008

For Information Contact Public Affairs  
SANDY RAYNOR  
Telephone: (602) 514-7625  
Cell: (602) 525-2681

## **EAST VALLEY BAR OWNER PLEADS GUILTY TO TAX EVASION**

PHOENIX – Peter S. Lebsock, 38 of Scottsdale, Ariz., pleaded guilty in front of U.S. Magistrate Judge Edward C. Voss today to one count of Federal Income Tax Evasion for 2004. According to the plea, Lebsock attempted to evade the income tax due while he was an officer and co-owner of The Trailer Park Restaurant, Inc., a corporation also known as Trailer Park and Dos Gringos-Tempe. Lebsock served as the on-site manager of Trailer Park during the tax years 2002 through 2005. Sentencing is set before U.S. District Judge Frederick J. Martone on February 9, 2009 at 3:00 p.m.

Lebsock admitted that he assisted other individuals to establish procedures to maintain a separate accounting of a portion of the revenue collected from the patrons of Trailer Park. The other revenue was stored separately from the claimed corporate revenue and was diverted from the corporate structure for the personal benefit of Lebsock and others. After diverting the income, Lebsock did not reveal the amount of other revenue diverted from the corporate structure for his personal benefit to the individual hired to prepare his individual income tax returns for the tax years 2002, 2003, 2004 and 2005.

The plea indicates that the Individual Income Tax return filed by Lebsock for the calendar year 2004 was fraudulent as it did not include \$61,754 in other revenue diverted from the corporate structure to be used for his personal benefit. An additional individual income tax of \$14,673 was due and owing to the United States for the calendar year 2004 as the result of the diverted income.

Lebsock also admitted that the amount of revenue not reported on the corporate income tax returns filed by The Trailer Park Restaurant, Inc. was \$86,733 in 2002, \$205,734 in 2003, \$137,230 in 2004 and \$157,168 in 2005. The amount of additional corporate income tax due and owing from The Trailer Park Restaurant, Inc. as the result of the unreported revenue is \$13,146 for 2002, \$58,119 for 2003, \$49,577 for 2004 and \$10,306 for 2005.

Lebsock also agreed in the plea that the amount of diverted corporate revenue from The Trailer Park Restaurant, Inc. not reported as income on the individual income tax returns filed or intended to be filed by Lebsock is \$39,030 in 2002, \$92,580 in 2003, \$61,754 in 2004 and \$42,293 in 2005. The amount of individual tax due and owing from Lebsock as the result of the diverted corporate revenue from The Trailer Park Restaurant, Inc. is \$14,407 for 2002, \$9,198 for 2003, \$14,673 for 2004 and \$9,092 for 2005.

A conviction for Tax Evasion carries a maximum penalty of five years in federal prison, a \$250,000 fine or both. In determining an actual sentence, Judge Martone will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

The investigation preceding the indictment was conducted by Special Agents of the Internal Revenue Service, Criminal Investigation Division. The prosecution is being handled by Assistant U.S. Attorney Frank T. Galati, District of Arizona, Phoenix.

CASE NUMBER: CR-08-671-PHX-FJM  
RELEASE NUMBER: 2008-303(Lebsock)

###