

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

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For Immediate Release

NEWS RELEASE SUMMARY - May 6, 2008

United States Attorney Karen P. Hewitt announced that Stevan Charles Pedroarena entered a guilty plea today in federal court in San Diego before the Honorable Jeffrey T. Miller, United States District Court Judge, to charges arising out of bankruptcy fraud in 1999 and tax evasion for years 2000 through 2002. Pedroarena pleaded guilty to a two-count Superseding Information - one count of bankruptcy fraud and one count of tax evasion.

According to Assistant U.S. Attorneys Christopher P. Tenorio and Joseph Orabona, who handled the prosecution, Pedroarena admitted that he fraudulently failed to report on his 1999 bankruptcy petition that he had filed his state and federal tax returns prior to declaring bankruptcy and expected a refund of over \$8,000. Additionally, Pedroarena admitted that he failed to declare \$772,500.00 of his and his spouse's taxable income for the 2000 tax year. According to Tenorio, Pedroarena further admitted as part of the plea

agreement that he owed a total of \$183,181.00 in outstanding taxes for tax years 2000 through 2002. Pedroarena agreed to pay the outstanding tax, and applicable penalties and interest, to the IRS as a condition of the plea agreement.

Judge Miller scheduled Pedroarena's sentencing on September 19, 2008 at 9:00 a.m..

DEFENDANT

Case Number: 05CR0436-JM

Stevan Charles Pedroarena

SUMMARY OF CHARGES

- | | |
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| Count 1 | Title 18, United States Code, Section 152(3) (bankruptcy fraud)
Maximum penalties: 5 years in custody; \$250,000 Fine |
| Count 2 | Title 26, United States Code, Section 7201 (tax evasion)
Maximum penalties: 5 years in custody; \$100,000 Fine |

AGENCIES

Federal Bureau of Investigation
Internal Revenue Service, Criminal Investigation