



Department of Justice

United States Attorney David E. Nahmias
Northern District of Georgia

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CONTACT: Patrick Crosby

(404)581-6016

FAX (404)581-6160

WITH APRIL 15 TAX DEADLINE APPROACHING,
FEDERAL TAX PROSECUTIONS CONTINUE TO SEND MESSAGE
THAT TAX FRAUD CAN MEAN PRISON TIME

Warning: Don't Cheat

Atlanta, GA - The United States Attorney's Office today announced that more tax-related criminal cases are being pursued by IRS investigators and federal prosecutors, and two more tax-related defendants will be sentenced this week and face significant time in federal prison.

United States Attorney David E. Nahmias said today, "The April 15 deadline should not be a temptation to cheat on taxes, for either taxpayers or their tax preparers. Millions of Americans comply honestly and conscientiously with the laws regarding the preparation and filing of their income tax returns. The ones who cheat shift the burden to all those who pay their share. The IRS and other federal investigative agencies are on the lookout for tax-related fraud. Taxpayers also need to understand that they--not their tax preparers--are ultimately responsible for the information that goes on their tax returns."

IRS Criminal Investigations Special Agent In Charge Reginael McDaniel said, "Public trust in the United States tax system is the cornerstone of maintaining its integrity. In exchange for the public trust, taxpayers expect that those who violate the tax laws will be held accountable. IRS Criminal Investigation is committed to seeking out those who violate our tax laws and pursuing criminal prosecution against them."

Recent tax cases prosecuted in North Georgia district include the following:

● JERRY LAHR, 65, of Hurst, Texas, will be sentenced this week in federal court. LAHR, a tax protester and promoter/seller of fraudulent tax evasion packages involving the use of so-called "pure trust" schemes, will be sentenced for conspiracy to commit tax evasion. LAHR and his co-defendant JACQUELINE DEMER concealed LAHR's income and assets, using bank accounts in the names of nominee entities and titling LAHR's real and personal property in the name of trusts and shell entities. LAHR faces a federal guideline sentence ranging from approximately 4 years to almost 6 years

in prison.

● JACQUELINE DEMER, 50, of Gainesville, Georgia, LAHR's co-defendant, is also being sentenced this week in federal court. She was convicted after a trial on charges of conspiracy to impede the IRS and submitting fictitious bonds to the IRS in purported satisfaction of the tax obligations of LAHR. DEMER faces a federal guideline sentence of 5 years to almost 7 years in prison. Assistant United States Attorney Teresa Hoyt is prosecuting LAHR and DEMER.

● DANIEL EDWARD TURNER, 44, of Cumming, Georgia, was convicted after a trial on March 5, 2009, on charges of obstructing the IRS and presenting fake financial instruments to pay his back taxes. From 1998 to 2007, TURNER obstructed the IRS by not filing tax returns, not paying taxes, hiding income, sending false financial instruments to the IRS and the Treasury, and claiming that IRS employees committed misconduct. TURNER submitted over \$491,000 in bogus financial instruments, called "Bills of Exchange," some of which appeared similar to regular checks. TURNER will be sentenced on June 12, 2009. Assistant United States Attorney David Leta is prosecuting the case.

● ANTHONY TESVICH, 42, of Atlanta, pleaded guilty to evading federal taxes on his corrupt income for tax years 2003 (\$212,937 in unpaid taxes); 2004 (\$821,981 in unpaid taxes); and 2005 (\$386,997 in unpaid taxes). His sentencing is scheduled for June 11, 2009.

● RONALD K. JOHNSTON 37, of Atlanta, was sentenced on April 2, 2009, to serve 3 years, 10 months in prison and ordered to pay \$1,785,115 in restitution after he pleaded guilty to charges of conspiracy to commit wire fraud and filing false tax returns. JOHNSTON filed false tax returns by underreporting his income for tax years 2005 (\$60,108 in unreported income) and 2006 (\$125,893 in unreported income).

● JAMES P. ROBINSON, 43, of Atlanta, was sentenced on April 1, 2009, to serve 5 years, 3 months in prison and ordered to pay \$1,170,308 in restitution after he pleaded guilty to charges of conspiracy to commit wire fraud and filing false tax returns. ROBINSON filed false tax returns by underreporting his income for tax years 2005 (\$133,000 in unreported income) and 2006 (\$632,879 in unreported income). Assistant United States Attorney Russell Phillips prosecuted the TESVICH, JOHNSTON and ROBINSON cases, all related to a scheme to defraud their former employer, Home Depot in Atlanta.

● DANIEL J. YOU, 43, of Duluth, Georgia, was sentenced on January 30, 2009, to 1 year, 6 months in federal prison on nine counts of tax fraud relating to his failure to pay taxes on \$1.9 million of diverted corporate receipts in the period 2001 - 2003. YOU made out a number of fraudulent checks to his personal businesses. He pleaded guilty to

the charges on October 21, 2008 and was sentenced January 30, 2009. Assistant United States Attorney Doug Gilfillan prosecuted the case.

● MAURICE DELMAR EDWARDS, II, 50, of Columbus, Georgia, was sentenced on April 1, 2009 to 1 year and 1 day in prison and ordered to pay restitution of \$88,551 in back taxes owed to the IRS. On January 15, 2009, Mr. Edwards pleaded guilty to one count of tax evasion. He had evaded taxes between 2001 and 2004 by hiding his income, using a false social security number and causing his employers to deposit his income into his daughter's bank accounts. Assistant United States Attorney David Leta prosecuted the case.

● FELICIA DAVIS, 42, of East Point, Georgia, was sentenced on March 10, 2009, to 1 year and 1 day in federal prison and ordered to pay restitution of \$81,685 in back taxes owed to the IRS. The former operator of “Felicia Davis Tax Service” in Austell, Georgia, and a paid tax preparer, she pleaded guilty to one count of assisting in the preparation of a fraudulent tax return. She submitted false schedule “A” items such as charitable contributions, unreimbursed business expenses and listed false dependents. Assistant United States Attorneys Jamila Hall and Barbara Nelan prosecuted the case.

These cases are being investigated by Special Agents of the Internal Revenue Service, Criminal Investigation, in conjunction with other federal law enforcement agencies.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney or Charysse L. Alexander, Executive Assistant U.S. Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.