

Department of Justice

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Western District of New York

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MAN PLEADS GUILTY TO FILING FALSE TAX RETURNS

BUFFALO, N.Y.--Jason Kochan, 31, of Williamsville, New York, pleaded guilty before Chief Judge Richard J. Arcara, U.S. District Court, to a felony charge of filing a false tax return, Acting U.S. Attorney Kathleen M. Mehlretter of the Western District of New York announced today. This charge carries a maximum penalty of 3 years imprisonment, a fine of \$100,000, or both.

Special Assistant U.S. Attorney Cindy C. Majewski, who handled the case, stated that the defendant, the sole proprietor of Jay's Landscaping, attempted to conceal the true amount of his income by receiving cash payments, directing clients to make check payments payable directly to him or to cash, and advertising the option on clients' contracts to ask him how to "save the tax." Kochan admitted to the fact that he did not collect sales tax from all of his customers, but based his gross receipt figure on his federal income tax returns strictly on his New York State sales tax figures. Kochan's understatement of income for tax years 2002, 2003 and 2004, resulted in the Internal Revenue Service sustaining losses totaling approximately \$56,000.

The plea was the culmination of an investigation on the part of Special Agents of the Internal Revenue Service, under the direction of Special Agent-In-Charge Patricia J. Haynes.

Sentencing is scheduled for July 6, 2009, at 12:30 p.m. EST, in Buffalo, N.Y., in front of Chief Judge Richard J. Arcara, U.S. District Court.