



PRESS RELEASE

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BUSINESSMAN FROM COLORADO ARRAIGNED
ON FEDERAL TAX EVASION CHARGES

ALBUQUERQUE – **Hak Ghun**, 61, of Durango, Colo., was arraigned this morning in federal court on a three-count indictment charging him with federal income tax evasion, U.S. Attorney Kenneth J. Gonzales announced. Ghun entered a not guilty plea to the indictment, and was released pending trial under conditions of release and pretrial supervision.

Ghun is charged with evading an aggregate of \$367,809 in federal taxes during tax years 2005, 2006 and 2007. Count 1 of the indictment alleges that Ghun received approximately \$207,726 in taxable income in 2005 and evaded approximately \$67,270 in taxes. Count 2 alleges that Ghun received approximately \$620,361 in taxable income in 2006 and evaded approximately \$218,143 in taxes. Count 3 alleges that Ghun received approximately \$251,435 in taxable income in 2007 and evaded approximately \$82,396 in taxes. According to the indictment, Ghun evaded paying income taxes by concealing his use of corporate funds for personal purposes, and by filing false business tax returns in an effort to hide the money. The maximum penalty for a conviction on each count of the indictment is five years of imprisonment and a \$100,000 fine.

The indictment alleges that Ghun was the chief executive officer of BCDS Manufacturing, Inc. (BCDS), a manufacturing company located in Shiprock, N.M. It further alleges that, in 2003 and 2004, the Navajo Nation invested economic development funds in BCDS and became the majority owner of the company, and in 2006, obtained a \$2.2 million loan for the purpose of expanding the BCDS facility in Shiprock. According to the indictment, Ghun did not draw a salary from BCDS, but instead used corporate funds to pay his personal expenses. Between 2005 and 2007, Ghun allegedly spent BCDS funds in the amount of \$1,078,170 for his personal expenses. Ghun allegedly evaded his personal tax obligations on those funds by concealing his conduct from BCDS's corporate accountant and by filing false corporate tax returns on behalf of BCDS.

The case was investigated by the Internal Revenue Service – Criminal Investigation, and is being prosecuted by Assistant U.S. Attorney Jonathon M. Gerson.

An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilty beyond a reasonable doubt.

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