



PRESS RELEASE

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FEDERAL JURY CONVICTS RIO RANCHO COUPLE
ON FEDERAL TAX EVASION CHARGES

ALBUQUERQUE – Late this afternoon, a federal jury sitting in Albuquerque found Joseph C. Kupfer, 49, and Elizabeth D. Kupfer, 50, guilty of federal tax evasion charges after a five-day trial, announced U.S. Attorney Kenneth J. Gonzales.

On December 15, 2010, a federal grand jury returned a three-count indictment charging Mr. and Mrs. Kupfer with willfully failing to report at least \$768,333 in taxable income during tax years 2004 through 2006, thus evading \$286,175 in federal taxes. On July 27, 2011, the indictment was superseded by an eleven-count superseding indictment that, in addition to adding Armando G. Gutierrez, 64, of Corpus Christi, Texas, as a defendant, included conspiracy and theft of government property charges against Mr. Kupfer and Mr. Gutierrez, and obstruction charges against Mr. Gutierrez.

In April 2012, the U.S. District Judge presiding over the case severed the three tax evasion counts from the other eight counts in the superseding indictment for purposes of trial. The Judge then scheduled separate trials for Mr. and Mrs. Kupfer on the three tax evasion charges, and for Mr. Kupfer and Mr. Gutierrez on the conspiracy, theft and obstruction charges.

Trial as to Mr. and Mrs. Kupfer on the three tax evasion charges commenced on Aug. 13, 2012. The evidence established that, during the years 2004 through 2006, Mr. Kupfer received income from his business Kupfer Consulting, and Mr. and Mrs. Kupfer reported income from Kupfer Consulting on their joint personal tax returns. Although Mr. Kupfer received \$1,304,421 in revenue from Kupfer Consulting, Mr. and Mrs. Kupfer reported only \$502,541 on their federal tax returns. Instead, they attempted to conceal approximately \$768,333 in income by providing incomplete information to their tax preparer, and signed false and fraudulent tax returns, which they submitted to the IRS.

More specifically, the evidence established that Mr. and Mrs. Kupfer claimed \$125,969 in taxable income for tax year 2004 but failed to include at least another \$140,000 in income, thus evading at least \$51,054 in federal taxes. Mr. and Mrs. Kupfer claimed \$170,625 in taxable income for tax year 2005 but failed to include another \$170,000 in income, thus evading \$64,651

in federal taxes. They claimed \$125,734 in taxable income for tax year 2006 but failed to include at least another \$458,333 in income, thus evading \$170,470 in federal taxes.

The jury deliberated approximately six hours before finding Mr. and Mrs. Kupfer guilty on each of the three tax evasion counts.

Mr. and Mrs. Kupfer remain on conditions of release pending their sentencing hearings, which have yet to be scheduled. Each faces up to five-years of imprisonment on each of the three tax evasion counts.

Mr. Kupfer and Mr. Gutierrez are scheduled for trial on Oct. 15, 2012, on the eight remaining counts of the superseding indictment. Because charges in indictments are only accusations, they are presumed innocent unless proven guilty beyond a reasonable doubt.

This case was investigated by the IRS – Criminal Investigations and the FBI, and is being prosecuted by Assistant U.S. Attorneys Tara C. Neda and Cynthia L. Weisman.

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