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10 Notorious Tax Cheats: Real Housewives Stars Teresa And Joe Giudice Faced A Staggering 50 Years

The real stars of [Real Housewives of New Jersey](#), Teresa Giudice and Giuseppe “Joe” Giudice, were [indicted in 2013](#) on 39 counts of conspiracy to commit mail and wire fraud, bank fraud, making false statements on loan applications and bankruptcy fraud. The couple originally [pleaded not guilty](#) claiming they were [unfairly targeted as celebrities](#). The [indictment](#) alleged that they intentionally concealed businesses they owned and concealed their income. There were separate charges against Joe for failure to file federal income tax returns for 2004 through 2008.

They eventually took a plea deal that included jail time for each, staggered so one parent could stay home with their four children. The tax claims were less serious than the others, though they were related. To get loans, the couple claimed they were employed, receiving substantial salaries when they weren't. They used fake Forms W-2 and fake pay-stubs. In their 2009 bankruptcy, they also concealed businesses they owned and hid their rental income. Teresa's income from the show, website sales, and her personal and magazine appearances also were omitted. When Season 2 of [Real Housewives of New Jersey](#) looked rosy, they didn't mention that money either.

[10 Notorious Tax Cheats](#)

Fans may not have expected the guilty plea, but as criminal defendants, the couple faced a staggering amount of jail time if they were convicted on all counts. Without the plea, the couple faced up to 50 years of prison time and millions of dollars in fines. Here is a tally of their potential jail terms:

- The charge for conspiracy to commit mail and wire fraud can carry up to 20 years in prison and a \$250,000 fine.
- Bank fraud and loan application fraud counts each carry up to 30 years in prison and a \$1 million fine.
- The bankruptcy fraud counts each carry up to five years in prison and a \$250,000 fine.
- Each failure to file a tax return count can carry up to one year in prison and a \$100,000 fine.



Watch What Happens Live – Episode 11159 – Pictured: (l-r) Teresa Giudice, Joe Giudice – (Photo by: Charles Sykes/Bravo/NBCU Photo Bank via Getty Images)

Predictably, there was some amount of second-guessing. In a *Watch What Happens Live* special with Bravo's Andy Cohen, Joe claimed he duped Teresa into signing papers to perpetuate his fraud. But the prosecution and judge saw Teresa as an active participant. It [charged Teresa initially](#) with numerous felonies associated with bankruptcy fraud, tax fraud and other economic crimes; Joe was charged separately.

As part of the plea agreement, Teresa [pleaded guilty](#) to four of the counts against her, and Joe to five of the counts against him, including failure to file federal income tax returns. Joe faced 37 to 46 months in jail. Teresa faced 21 to 27 months, but she had requested leniency because she has four children at home. Just before sentencing, Teresa [confessed to the judge](#), "I'm scared, I'm not going to deny it, I'm really scared."

Teresa claimed to be shocked that the judge questioned their financial disclosures, but the judge thought the Giudices were still hiding something, [saying](#), "They had an obligation to be transparent and candid and open with the court and I don't think I got that."

The [final sentence](#) for Joe Giudice was 41 months in a federal prison plus repayment of \$414,588.90 in restitution. He must also enter an alcohol treatment program; Joe had admitted, through his attorney, that he has a drinking problem. Previously, he flipped his truck in a DWI accident in 2010 and [was sentenced](#) to a seven-month license suspension, \$300 fine and 12 hours of driver-education.

Joe is not a U.S. citizen, and Judge Esther Salas [told Joe that](#) after prison he would face immigration proceedings which would “likely result in ... your being removed from the United States.” At his sentencing, the court clarified that [the decision whether to deport Joe will be made](#) by U.S. Immigrations and Customs Enforcement following his prison sentence.

Teresa received just 15 months, about 2/3 of her potential sentence. Prosecutors argued against house arrest, since it would allow her to benefit by remaining in the home she had defrauded others to purchase. She reported to prison on January 5, 2015. With the [staggered sentences](#), Teresa went first, at the Federal Correctional Institution in Danbury, Connecticut.

Teresa [talked about](#) her sentencing when she sat down with Andy Cohen on *Watch What Happens Live*. She said she had not understood that prison was a real possibility. In addition to jail time, Teresa and Joe will each serve two years of supervised release. The judge had originally contemplated sentencing the pair to probation instead of jail time but ultimately sided with prosecutors, [saying to the Giudices](#): “I don’t honestly believe that you understand or respect the law. I need to send a message. In the eyes of the law it doesn’t matter who you are. There are consequences to pay.”

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