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23 Sobering Tax Evasion Jail Terms On Tax Day

When you sign your tax return, be careful. It must be signed under penalties of perjury, so don't [lie on your tax return](#). You may never be audited, but you *might* be. The vast majority of tax audits are civil and have little risk of criminal liability. Still, a majority of criminal tax cases start with a civil audit.

The Justice Department issued a stern reminder that when it comes to income taxes, no one is above the law. Stray, and you could be caught. The Justice Department [news release](#) conveys a pretty scary message of 23 cases in which the government successfully prosecuted tax cheats. They come from all walks of life:

Daniel Porter, a Chino, California, businessman, was [sentenced](#) to 55 months in prison for conspiring to defraud the United States by promoting and selling fraudulent tax products, including one called Tax Break 2000.



Arkan Summa, an owner of Happy's Pizza franchises, was sentenced to serve 18 months in prison and ordered to pay \$199,847 in restitution for conspiracy to defraud the IRS. The founder of

Happy's Pizza, Happy Asker, was previously [convicted](#) at trial, and three others have also pleaded guilty to related charges.

Jon McBride, owner of a cell phone clip company and a real estate investor in Utah, was [sentenced](#) to 27 months in prison and ordered to pay \$174,684 in restitution following his conviction for filing a false return and tax evasion.

Paul DiLorenzo, a doctor from Ocean Township, New Jersey, was [sentenced](#) to 46 months in prison and ordered to pay \$304,293 in restitution for structuring cash transactions and filing false tax returns. The court also ordered DiLorenzo to forfeit nearly \$1 million in illegally derived proceeds.

Yvette Johnson was [sentenced](#) to serve two years in prison for tax evasion. Her husband, Shannon Johnson, was previously [sentenced](#) to serve 72 months in prison for his role in the tax evasion and conspiracy to commit mail and wire fraud. The court also ordered Shannon Johnson to forfeit \$3.7 million based on fraud committed against investors.

Kenneth and Kimberly Horner, who owned and operated Topcat Towing and Recovery Inc., were each [convicted](#) of filing false personal and corporate tax returns. According to the charges, the Horners skimmed more than \$1.5 million in cash from their towing business and deposited it in their personal bank account.

Thair Alwan, the owner of a pizza shop, was [sentenced](#) to 12 months and one day in prison and ordered to pay \$237,587 in restitution and a \$10,000 fine for filing a false tax return for 2008.

Fidencio Moreno, owner of a charter bus company, was [sentenced](#) to 41 months in prison for conspiring to defraud the United States. Arturo Moreno, also an owner of the company, was sentenced to 28 months in prison for conspiring to defraud the United States, and conspiring to commit wire fraud and mortgage fraud. Elena Moreno was [sentenced](#) to 22 months in prison.

Matthew Libous, an attorney licensed in New York, was [convicted](#) of filing false tax returns. According to court filings, Libous failed to report income from his law practice and tens of thousands of dollars in personal expenses that he caused to be paid by another company he operated.

Michael Stover, a Michigan businessman, was [sentenced](#) to 42 months in prison for tax evasion and wire fraud. From 2004 through 2010, Stover was president of a company from which he embezzled more than \$2 million, and he failed to report the income on his tax returns.

Jesus Pons, a computer-services manager for Miami-Dade County, was [sentenced](#) to 51 months in prison and ordered to pay \$556,254 in restitution for tax evasion.

Joel Field, owner and operator of Cadillac Ranch restaurants and bars in Ohio and elsewhere, was [sentenced](#) to 12 months and one day in prison, four months in a halfway house, and four months of

home confinement, and was ordered to pay \$349,778 in restitution and a \$4,000 fine for tax evasion.

Jeffrey Scott, owner and operator of Greenville Loop Seafood was [sentenced](#) to 12 months and one day in prison, and ordered to pay \$26,263 in restitution and a \$25,000 fine for attempting to evade taxes. According to court filings, between 2006 and 2010, Scott paid nearly all of his living expenses with company checks, including his mortgage, utilities, insurance premiums, landscaping, home improvements, school fees and a country club membership.

Michael Mangold, a doctor specializing in emergency medicine and urgent care, was [sentenced](#) to 18 months in prison for tax evasion and making false statements. According to court filings, Mangold earned income working for various hospitals, emergency rooms, urgent care facilities and state and county correctional facilities. From 1997 through 2007, Mangold concealed his income by filing false tax returns and asserting frivolous legal arguments to the IRS.

Nick Jodha, also known as Nick Persaud, an owner and operator of contracting company United HVAC Services Inc., was sentenced to 12 months and one day in prison, and ordered to pay \$214,529 in restitution for evading his 2007 through 2010 taxes.

Amberula Levitt, who owned and operated Tax Time Tax Service, was sentenced to 21 months in prison, ordered to pay \$620,004 in restitution, and ordered to complete 100 hours of community service for filing false tax returns for 2004 and 2005, assisting in filing a false tax return for 2006, and failing to file tax returns for 2007, 2008 and 2009.

William M. Weisberg, an attorney from Vienna, Virginia, was [sentenced](#) to 12 months and one day in prison, and ordered to pay \$451,955 in restitution for willful failure to pay tax due and owing. According to court filings, Weisberg spent lavishly, and when the IRS tried to work with him on his tax debts, Weisberg falsified a document from his law firm. The bogus document showed that his law firm was withholding money from his paychecks to give to the IRS, when it wasn't.

Gwendolyn Muller, a receptionist in Kearny, New Jersey, was [sentenced](#) to 34 months in prison and ordered to pay \$556,000 in restitution for embezzlement, using fraudulent credit cards to obtain goods and services and tax evasion. According to court filings, from 2007 through 2011, Muller used her position at the medical practice to take cash and conceal more than \$446,000 in checks paid by insurance companies to the medical practice for services to patients. Muller admitted to filing a false tax return to evade the payment of taxes on this illegally obtained income.

Don F. Lindner, an attorney from Severna Park, Maryland, [pleaded guilty](#) to filing a false return and agreed to pay \$341,730 in restitution. According to court filings, Lindner practiced law in Glen Burnie, Maryland, and Lindner omitted \$1,230,614 in gross receipts from his law practice.

Rebecca Hoff, a former office manager and accounts payable bookkeeper from Ironwood, Michigan, was [sentenced](#) to 15 months in prison for filing a false income tax return. Hoff used

company checks to pay her personal expenses, which included the purchase of a vehicle, home improvements and mortgage payments.

Joel Carlson, an investment advisor, was [sentenced](#) to 42 months in prison for tax evasion. Carlson deposited client investments and additional funds solicited from his father into a Trust Financial Group account, which he treated as his personal bank account. Carlson will pay approximately \$3.1 million total in restitution, which includes \$1.2 million in restitution to the IRS.

Dennis Weiss, formerly a suburban home builder, was [sentenced](#) to 30 months in prison and ordered to pay \$296,643 in restitution for filing a false federal income tax return and making false statements in a bankruptcy petition. Between 2005 and 2009, Weiss paid personal expenses from a business bank account, accepted cash payments from customers of his businesses and failed to record the receipt of these funds on the books and records of the corporations, resulting in a total federal tax loss of \$1,271,280.

Patrick J. Belzner, also known as Patrick McCloskey, a home builder residing in Selbyville, Delaware, was [sentenced](#) to serve 15 years in prison and ordered to pay \$19.8 million in restitution on charges of wire fraud conspiracy, wire fraud and tax evasion.

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