

NEWS

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Holmdel Man Pleads Guilty to Tax Evasion

(More)

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TRENTON – A Holmdel man pleaded guilty today to one count of tax evasion for not reporting a total of approximately \$740,585 in income for tax years 2003, 2004 and 2005, U.S. Attorney Christopher J. Christie announced.

Mohamed Abdelrazek, 53, made his first appearance in federal court and pleaded guilty before U.S. District Judge Freda L. Wolfson to a one-count Information. Judge Wolfson released the defendant on a \$100,000 unsecured bond pending sentencing, which is scheduled for July 25.

At his plea hearing, Abdelrazek stated that during tax years 2003, 2004 and 2005 he worked as a plumber in the Bronx. Abdelrazek admitted that during these tax years he filed U.S. Individual Income Tax Returns that stated he had no taxable income and therefore owed no taxes in each of those years.

Abdelrazek admitted that in each of those years he, in fact, did have substantial income which he concealed by cashing checks made out to his business at local cash checking businesses. Abdelrazek then structured deposits of the cash into his personal bank account to avoid detection by law enforcement. According to the Information, Abdelrazek failed to report income in the amounts of \$229,500 in tax year 2003; \$368,000 in tax year 2004; and \$143,085.00 in tax year 2005.

By concealing his income in those tax years, Abdelrazek admitted he avoided paying a total of approximately \$185,000.00 in taxes dues and owing to the U.S. As part of Abdelrazek's plea agreement, he agreed to pay taxes due plus interest and penalties to the IRS.

The charge of tax evasion carries a maximum penalty of 5 years in prison and a fine of \$250,000 or twice the aggregate loss to the victims or gain to the defendant.

In determining an actual sentence, Judge Wolfson will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents with the Internal Revenue Service, under the direction of Special Agent in Charge William P. Offord, and the United States Postal Inspection Service, under the direction of Inspector in Charge David L. Collins, with the

investigation leading to the guilty plea.

The government is represented by Assistant U.S. Attorney Eugenia A.P. Cowles of the Criminal Division in Trenton.

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Defense Attorney: Jared J. Scharf, Esq. White Plains, N.Y.