

NEWS

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Clementon Tax Preparer Pleads Guilty to Aiding in the Filing of False Tax Returns

(More)

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CAMDEN – A Clementon tax preparer pleaded guilty today to aiding and assisting others in filing approximately 408 false income tax returns, U.S. Attorney Christopher J. Christie announced.

Anthony D’Auria, 65, made his first appearance in federal court and pleaded guilty before U.S. District Judge Joseph E. Irenas to a four-count Information. Judge Irenas released the defendant on a \$100,000 bond pending sentencing, which is scheduled for Aug 13.

At his plea hearing, D’Auria stated that during the tax years of 2000 through 2005 he owned and operated D’Auria and Associates, located in Gloucester Township, which was in the business of preparing tax returns for clients. During that time period, D’Auria schemed to defraud the Internal Revenue Service of income tax revenues by use of phony losses by purported Subchapter S corporations to enable some of his clients to fraudulently reduce their tax liability, he admitted.

D’Auria admitted that he prepared approximately 408 U.S. Individual Income Tax returns in total for his clients, each of which claimed phony losses for various purported Subchapter S corporations. In fact, none of the Subchapter S corporations ever existed, D’Auria admitted. Nevertheless, to execute his scheme to defraud the IRS, D’Auria caused many of his clients to declare losses on their U.S. Individual Income Tax returns supposedly resulting from the operation of those fictitious corporations, which reduced their tax liability.

As examples of his scheme, D’Auria admitted that on April 15, 2002, he caused taxpayers identified only as J.C. and C.C. to file a joint U.S. Individual Income Tax return that fraudulently declared on Schedule E a loss of \$22,144 resulting from the purported operation of ASD Associates, Inc. On April 15, 2003, D’Auria caused taxpayer R.G. to file a U.S. Individual Income Tax return, which fraudulently declared on Schedule E a loss of \$17,102 resulting from the purported operation of ASD Associates, Inc., and a loss of \$26,432 resulting from the purported operation of Lauria Associates Inc.

The charge of aiding and assisting in the filing of a false income tax return carries a statutory maximum penalty of 3 years in prison, a \$250,000 fine and the costs of prosecution.

In determining an actual sentence, Judge Irenas 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, with the investigation leading to the guilty plea.

The government is represented by Assistant U.S. Attorney Howard Wiener of the Criminal Division in Camden.

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Defense Attorney: Michael Pinsky, Esq. Haddon Township