



IRS criminal investigators remain hard at work

By Audrey Stanton

Register-Herald Reporter

— A 49-year-old man who fled the country before pleading guilty earlier this year in U.S. District Court in Huntington to conspiracy to commit wire and securities fraud, obstruction of justice and aiding and abetting wire fraud was sentenced Monday to 121 months imprisonment, three years supervised release and payment of \$2 million restitution.

Stephen D. Oles bilked more than \$5 million from dozens of investors across the country, prosecutors said. He admitted at his plea hearing that he and others offered investments in phony bank debenture trading programs from 1995 to 1997, claiming the debentures had been issued by large European banks.

Oles and other participants in the scam told investors that the programs offered no-risk high returns, U.S. Attorney Charles Miller's office said.

Oles, who was indicted in 1998, also told investors that he had become involved in debenture trading to raise money for Christian projects, according to the court documents.

Investors' money was placed in different banks in the United States and in the Turk and Caicos Islands. Oles took \$1.48 million and bought a large luxury home near San Diego, according to the documents.

Oles fled the United States in August 1999, several months before he was to stand trial, and was later arrested in England. He was extradited to the United States in August 2006.

As the tax deadline approaches, Oles' case appears to be one of the larger examples of a financial crime, but IRS and Department of Justice officials say his is far from the only one.

"Since January there has been a vast amount of federal court activity nationwide and here locally involving those individuals who chose not to comply with their tax obligations," said Andrew T. Hromoko Jr., public information officer for the Pittsburgh Field Office of the IRS-Criminal Investigation Division.

Hromoko said his district of Western Pennsylvania and West Virginia has been host to 20 different related criminal court actions involving indictments, trials, pleas, arrests and sentencings in recent months.

"All of these cases in some way involve criminal violations of the tax laws," he said.

Among them:

- Paul Lawson, of Williamson, was indicted on April 10 for preparing false tax returns.
- Lisa Smith, a former state senator, was charged with employment tax evasion. She was declared competent for trial March 30.
- Dr. Doyle Sickles and Beth Sickles, of Bridgeport, were convicted by jury March 23 for filing false tax returns in an abusive trust case.
- Timothy Ray Cline, owner of Southern Exposure clubs in Princeton and Bradley, pleaded guilty to tax evasion on March 6.
- Luther Wills, of Hinton, the owner of a tax preparation business, was indicted for tax evasion on Feb. 21.
- Corey F. Perrin, vice president of Progressive Financial Services, was sentenced on Feb. 5 to 15 months in federal prison for tax evasion.
- Cleveland J. Biller, of Morgantown, was convicted by jury on Jan. 31 in an abusive trust case.

Hromoko pointed to information on the IRS Web site dealing with general tax fraud. Fortunately, the vast majority of Americans recognize their legal responsibility, and properly report and pay over their tax obligations, he said.

"The efforts of Criminal Investigation (CI) are directed at the portion of American taxpayers who willfully and intentionally violate their known legal duty of voluntarily file income tax returns and/or pay the correct amount of income, employment, or excise taxes. These individuals pose a serious threat to tax administration and the American economy," according to the site.

"To build faith in our nation's tax system, honest taxpayers need to be reassured that everyone is paying their

fare share,” said Charles A. Jenkins, special agent in charge, Pittsburgh Field Office. “The IRS-Criminal Investigation Division, together with the Department of Justice will investigate and prosecute those who willfully violate the tax laws.”

Taxpayers who can't finish their complete return today can file an extension using Form 4868. If they owe taxes they still have to estimate their tax liability and send the payment in with the extension. Forms and information can be obtained from www.irs.gov or by calling 1-800-829-1040.

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