U.S. Department of Justice

United States Attorney
Eastern District of Arkansas

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SELF-EMPLOYED BUSINESS OWNER PLEADS GUILTY TO IMPEDING THE IRS

Little Rock, AR -- U. S. Attorney Bud Cummins announced that Benny Ray Wadsworth, 64, of Pocahontas, Arkansas, pled guilty today before U.S. District Judge J. Leon Holmes, to an Information filed in court. The Information charges Wadsworth with one count of corruptly endeavoring to impede officers and employees of IRS relating to his personal income tax returns.

According to the filed Information and court proceedings, Wadsworth owned and operated a jewelry business that was profitable. Wadsworth also purported to own and operate a canoe rental business which had losses offsetting the income generated from the legitimate jewelry business for his personal income taxes of 1997 through 1999. During an IRS audit, Wadsworth provided false documents and made false statements to IRS employees in an attempt to establish existence of his canoe rental business. Wadsworth continued providing misleading information and documents to IRS employees during his criminal investigation. Additionally, Wadsworth made false allegations against the IRS to two separate U. S. Senators petitioning

them to intervene on his behalf with the IRS. During the hearing, Wadsworth agreed that he provided false and misleading information to the U. S. Senators.

Corruptly attempting to impede the IRS carries a maximum penalty of 3 years in prison and a fine of $250,000.

This investigation was conducted by IRS Criminal Investigation.

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