



OWNER OF DEFUNCT GREELEY HEALTH CARE COMPANY FOUND GUILTY OF TAX RELATED CHARGES

DENVER – **WILLIAM C. CRABBE**, age 58, of Kersey, Colorado, was found guilty Friday, March 7, 2008, of Failure to Pay Employee Federal Payroll Taxes, and of Filing False Tax Returns. The jury verdict came following a two week trial before U.S. District Court Judge Marcia S. Krieger. A co-defendant, **JAMES S. ROWAN**, had earlier pled guilty of similar charges. Both await sentencing.

According to the facts presented during the trial, **CRABBE** was co-owner and principal officer of Columbine Health Care Systems, a now defunct national nurse-staffing agency which operated in 35 states throughout the United States. Columbine would charge its clients a fee for placing nurses in such places as hospitals, healthcare facilities, and doctor's offices. Columbine would then pay wages to the nurses. The company's corporate offices were located in Greeley, Colorado, with a few small sales offices located in other states.

CRABBE was required to withhold federal income tax, Social Security taxes, and Medicare taxes from his employees' pay checks. From June 30, 2000 through December 31, 2001, the defendant deducted and collected these taxes from his employees, but only paid these taxes for his corporate employees, and not for their nurses. From March 31, 2002 through December 31, 2002, the defendant allegedly collected these taxes but did not pay them to the federal government for either his corporate employees or his nurses. Lastly, the defendant was found guilty of filing false income tax returns for quarters ending March 31, 1999 through December 31, 2001.

Failure to pay over employee federal payroll taxes carries a penalty of not more than 5 years in federal prison, and/or a \$10,000 fine per count. Filing false tax returns carries a penalty of not more than 3 years in federal prison, and/or a \$100,000 fine per count. Tax evasion carries a penalty of not more than 5 years imprisonment, and/or a \$100,000 fine.

United States Attorney Troy Eid praised the trial team. "Thanks goes to the hard work of the agents who investigated this complex crime and the prosecutors who obtained the guilty verdicts," U.S. Attorney Eid said.

"Our mission at the IRS is to apply the tax law with integrity and fairness to all," said Terry L. Stuart, Special Agent in Charge of the Denver Field Office. "That means that all taxpayers should pay their fair share," Stuart said.

This case was investigated by the Internal Revenue Service Criminal Investigation Division. The trial was handled by Assistant United States Attorneys Tim Neff and Jaime Pena.

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