



U.S. Department of Justice

*United States Attorney
District of Idaho*

WENDY J. OLSON, United States Attorney
RAFAEL M. GONZALEZ, JR., First Assistant United States Attorney
AARON N. LUCOFF, Criminal Chief
SYRENA C. HARGROVE, Civil Chief

*Washington Group Plaza IV
800 E. Park Blvd., Ste. 600
Boise, ID 83712-7788
(208) 334-1211*

NEWS RELEASE

**FOR IMMEDIATE RELEASE
ON OCTOBER 30, 2012**

**CONTACT: PAMELA BEARG
Public Information Officer
MICHAEL J. ROMANO
MARK L. WILLIAMS
Trial Attorneys, Department of Justice Tax Division
(202) 305-3098**

Twin Falls Area Home Builder Pleads Guilty to Tax Evasion

BOISE – Justin D. Schoenauer, 41, also known as Corey J. Schoenauer, a resident of Twin Falls County, Idaho, pleaded guilty today in United States District Court to one count of income tax evasion for tax year 2007, the U.S. Attorney's Office, Justice Department, and Internal Revenue Service-Criminal Investigation announced. Schoenauer was indicted by a federal grand jury in Boise on February 14, 2012.

According to the plea agreement, Schoenauer was a general contractor who, for the past ten years, operated a sole proprietorship called Patagonia Construction (Patagonia), a business engaged primarily in building homes. Schoenauer admitted that during tax years 2005 through 2008, he concealed Patagonia's business receipts. Schoenauer further admitted that he directed some customers to make checks payable to him personally, rather than to Patagonia, then ensured that those checks were not deposited into Patagonia's main bank account. When having tax returns prepared, Schoenauer falsely told his return preparer that all of his business receipts were deposited into the main Patagonia bank account, thereby concealing Patagonia's gross receipts and causing the preparation and filing of false tax returns. The government is seeking restitution of \$429,436. According to the plea agreement, Schoenauer will pay the IRS \$35,000 at sentencing, to be applied to his outstanding tax liability.

The charge of income tax evasion is punishable by up to five years in prison, a maximum fine of \$250,000, or twice the gross gain or the gross loss caused by the offense, and up to three years of supervised release.

Schoenauer is scheduled to be sentenced on January 23, 2013, by Chief U.S. District Judge B. Lynn Winmill at the federal courthouse in Boise.

The case was investigated by IRS-Criminal Investigation and is being prosecuted by the Justice Department's Tax Division.

#####