



U.S. Department of Justice

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For Immediate Release:

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Oct 26, 2009

Event: Sentenced

Defendant: Timothy Walraven and William Walraven

**HARRISON BUSINESSMEN SENTENCED ON
CONSPIRACY AND TAX EVASION CHARGES**

Timothy Walraven, 47, and William Walraven, Jr., 45, both of Harrison, Michigan each was sentenced today to serve 40 months in prison and 43 months in prison, respectively as a result of having pleaded guilty on January 13, 2009, to conspiracy to defraud the Internal Revenue Service and tax evasion, United States Attorney Terrence Berg announced. These guilty pleas and sentences are the result of a March 26, 2008, superseding indictment that charged them with one count of conspiracy to defraud the IRS and five counts each of tax evasion. Timothy was also charged with four counts of filing false corporate tax returns, signed under penalty of perjury, while William was charged with one count of filing a false partnership tax return, signed under penalty of perjury. Timothy, had an additional charge of aiding and abetting the creation of structured transactions to evade reporting requirements.

Mr. Berg was joined in the announcement by Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation Division.

According to court records, Timothy Walraven and William Walraven Jr. were President and Vice-President, respectively, of Country Garden Fruit Market, along with being owners and co-partners of Walraven's Car Wash. They also engaged in other business activities, which included the purchasing and selling of heavy construction equipment and trucks, sale of real estate, and loaning money to third parties. Between 1991 and 2006, the Walraven brothers skimmed income from their fruit market and hoarded large amounts of currency in their personal residences. They also maintained a false second set of books for the fruit market during this time period, which they provided to their income tax return preparers.

According to court records, during the tax years of 2001 through 2005, the Walraven brothers received taxable income of at least \$738,359, while only reporting \$159,872 to the Internal Revenue Service. On January 12, 2006, IRS Criminal Investigation executed search warrants at the Walraven brother's residence. More than \$1 million in cash was discovered at Timothy's residence and approximately \$330,000 was discovered at William's residence.

United States Attorney Berg stated, "Skimming cash and concealing it from the IRS is a clear violation of the obligation to report income. Our system of federal income taxes relies upon the honesty, integrity and voluntary cooperation of every American."

"Cheating on your taxes is the same as stealing," said Aouate. "We should not expect the honest taxpayer to foot the bill for those who hide income from the IRS."

United States Attorney Berg thanks the IRS Criminal Investigation for their investigation of the case. The case is being prosecuted by Assistant United States Attorney Barbara Tanase.