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News Release

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Park Rapids man sentenced for filing a false tax return

A 56-year-old Park Rapids lawyer was sentenced yesterday in federal court on one count of filing a false tax return.

On Dec. 4 in St. Paul, United States District Court Judge Paul Magnuson sentenced William Franklin Jones to 12 months and one day in prison and one year of supervised release. Jones was charged on March 6.

According to his plea agreement, Jones admitted that on April 15, 2002, he willfully made and subscribed to a U.S. Individual Income Tax Return for calendar year 2001 which he did not believe to be true and correct. On the return Jones falsely characterized three real property transactions occurring in 2001 to be like-kind exchanges. When properly claimed, a like-kind exchange is not subject to taxation as a capital gain. The Court, however, found that Mr. Jones was accountable for over \$90,000 in unpaid tax for the sale of the properties in 2001.

This case was the result of an investigation by the Internal Revenue Service-Criminal Investigation Division, and was prosecuted by Assistant U.S. Attorney Robert M. Lewis.