

NEWS

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FOR IMMEDIATE RELEASE
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Barnegat Contractor Pleads Guilty to Tax Evasion

(More)

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TRENTON – The owner of a Barnegat construction company pleaded guilty today to a charge of tax evasion for failing to report income of approximately \$242,764, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

Daniel Carlo, 45, entered his guilty plea before U.S. District Court Judge Mary L. Cooper to a one-count Information that charges him with tax evasion for failing to report income of approximately \$242,764 on his 2005 U.S. Individual Income Tax Return. Judge Cooper released the defendant on a \$110,000 bond pending sentencing, which is scheduled for Dec 2.

At his plea hearing, Carlo stated that he owns and operates a construction company under the name of “Cartar” from his residence in Barnegat. Carlo admitted that in April 2006, he prepared, signed and filed with the Internal Revenue Service, a 2005 U.S. Individual Income Tax Return, Form 1040, which stated that his taxable income for calendar year 2005 was \$0. Carlo admitted that he failed to report taxable income of approximately \$242,764, upon which an additional tax of approximately \$78,792 was due to the Internal Revenue Service.

Carlo admitted that in an effort to hide a substantial part of the unreported income, he deposited client receipts into bank accounts in the name of his wife and daughter.

The charge of tax evasion carries a statutory maximum penalty of 5 years in prison and a fine of \$250,000.

In determining the actual sentence, Judge Cooper will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Marra credited Special Agents with IRS Criminal Investigation, under the direction of Special Agent in Charge William P. Offord, with the investigation leading to the guilty plea.

The Government is represented by Assistant U.S. Attorney John J. Hoffman, of the U.S. Attorney's Criminal Division in Trenton.

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Defense Attorney: Thomas G. Frey, Esq. Metuchen