



*United States Attorney
District of New Jersey*

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**OWNER OF NEW JERSEY INTERIOR CONTRACTING COMPANIES SENTENCED
TO TWO YEARS IN PRISON FOR INCOME TAX EVASION**

Business Owner Also Ordered to Pay \$1.8 Million to the IRS

NEWARK, N.J. – The owner of two interior contracting companies located in Newton, New Jersey, was sentenced today to 24 months in prison for income tax evasion, U.S. Attorney Paul J. Fishman announced.

Edward Albanese, 51, of Sussex County, N.J., previously pleaded guilty to two counts of tax evasion for failing to report and pay employment taxes relating to his two businesses. Albanese entered his guilty plea in March before United States District Judge Dennis Cavanaugh, who also imposed the sentence today in Newark federal court.

According to documents filed in the case and statements made in court:

Albanese owned and operated two interior contracting companies located in Newton, New Jersey: DDB Interior Contracting Inc. (DDB), and Regency Interior LLC (Regency). Albanese was responsible for collecting, accounting for, and paying employment taxes for the companies.

During the fourth quarter of calendar year 2008, Albanese caused approximately \$164,261 in “under the table” cash wages to be paid to employees of Regency without withholding, reporting, and paying over the corresponding employment taxes to the IRS. On January 31, 2009, Albanese caused Regency to file a false Employer’s Quarterly Federal Tax Return (Form 941) in order to evade approximately \$49,771 in employment taxes due and owing to the United States.

During the second quarter of calendar year 2005, Albanese caused approximately \$78,043 in “under the table” cash wages to be paid to employees of DDB without withholding, reporting, and paying over the corresponding employment taxes to the IRS. On July 31, 2005, Albanese caused DDB to file a false Form 941 in order to evade approximately \$23,647 in employment taxes due and owing to the United States.

Albanese admitted he caused a total of approximately \$2,349,475 in cash wages to be paid to employees of DDB and Regency from 2005 through 2008. The total employment tax due and owing to the United States on those unreported wages is approximately \$711,890. Albanese is also subject to civil penalties.

On March 13, 2009, approximately \$50,957 in cash was recovered during a law enforcement search of the DDB offices. Albanese previously agreed to forfeit these funds as part of his plea agreement.

In addition to the prison term, Judge Cavanaugh sentenced Albanese to three years of supervised release. Albanese was also ordered to pay the Internal Revenue Service approximately \$1.8 million to satisfy taxes, penalties, and interest owed in connection with his evasion crimes.

U.S. Attorney Fishman credited special agents with the Internal Revenue Service, Criminal Investigation Division, under the direction of Special Agent in Charge Victor W. Lessoff, in Newark, for investigation of the case.

The government is represented by Assistant U.S. Attorney Randall Cook, of the U.S. Attorney's Office Criminal Division in Newark.

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