

TO: Interested Media
FROM: H. E. "BUD" CUMMINS, United States Attorney
DATE: February 19, 2004
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LITTLE ROCK, AR--Bud Cummins, United States Attorney for the Eastern District of Arkansas, announced that George W. Frye, a resident of Ash Flat, Arkansas, pleaded guilty today to four counts of failing to file income tax returns with the Internal Revenue Service. According to the indictment, Frye earned over \$500,000 from 1995 to 2002 which he failed to report to the Internal Revenue Service.

Frye was first a member of "Save-a-Patriot" and then became a member of the "Freedom & Privacy Committee," both anti-government and anti-income tax organizations. These groups and others wrongfully contend that filing of income taxes is voluntary and collection by the United States is unconstitutional, and often challenge the Internal Revenue Service's authority to administer the tax system. Such groups charge considerable fees and most often appeal to the gullible who believe they will never get caught. U.S. courts for decades have repeatedly rejected these arguments.

Sentencing is set for May 24, 2004 before United States District Judge William R. Wilson, Jr.. Frye faces a maximum sentence of not more than four years in prison and a fine of not more than \$200,000 on the four counts. However, any sentence will be

determined by the United States District Court in accordance with the United States Sentencing Guidelines.

This investigation was conducted by IRS Criminal Investigation, Little Rock office.

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