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**Bailey Island Man Sentenced for Tax Evasion Scheme**

Portland, Maine: United States Attorney Paula D. Silsby announced today that **John J. Anthony** appeared in Federal District Court in Portland and was sentenced to thirty-three months imprisonment, fined \$7,500, and ordered to serve three years of supervised release following his release from prison. Anthony was convicted last October by a jury of four counts of tax evasion following a five-day jury trial. Anthony, fifty-six years old and a resident of Bailey Island, Maine, was convicted of willfully attempting to evade and defeat his individual income taxes for the years 1999 through 2002, in violation of Title 26, United States Code, Section 7201. The court found that the tax loss in this case was \$203,753. U.S. District Court Judge D. Brock Hornby also ordered Anthony to pay \$3,919 as costs of his prosecution.

Anthony testified in his own defense that based upon his own reading of the Internal Revenue Code and other legal materials, he did not believe the tax code made him liable for federal income taxes. He also claimed to believe that the tax laws only applied to federal employees and citizens of the District of Columbia or other federal enclaves.

U.S. Attorney Silsby praised the work of the Internal Revenue Service, Criminal Investigation Division. She also warned the public to be wary of claims made by some individuals that the tax laws do not apply to them or are unconstitutional. She stated that federal courts have repeatedly upheld the constitutionality of the income tax laws and have characterized as "frivolous" arguments that wages are not income, that the filing of a tax return is voluntary, and that the tax code does not make individuals liable for federal income taxes.

For more information on tax scams, go to <http://www.irs.gov/compliance/index.html>.

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