

# McGREGOR W. SCOTT



*United States Attorney  
Eastern District of California*

## NEWS RELEASE

**Sacramento**  
501 I Street, Suite 10-100  
Sacramento, CA 95814  
Tel 916/554-2700  
TTY 916/554-2877

**Fresno**  
2500 Tulare Street, Suite 4401  
Fresno, CA 93721  
Tel 559/497-4000  
TTY 559/497-4500

FOR IMMEDIATE RELEASE

**February 1, 2008**

Docket #: CR S-08-008 EJG

Contact: Lauren Horwood  
916/554-2706

<http://www.usdoj.gov/usao/cae>

### **BENICIA BUSINESSMAN AGREES TO SERVE PRISON TIME FOR TAX EVASION**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that DIRK FULTON, of Benicia pleaded guilty today to tax evasion before United States District Judge Edward J. Garcia.

This case is the product of an extensive investigation by the Criminal Investigations Division of the Internal Revenue Service.

According to Assistant United States Attorney Matthew D. Segal, who prosecuted the case, FULTON caused his businesses to transfer money to his personal accounts and pay for personal expenses without declaring those transfers and expenditures on his income tax form for 1999. One of the personal expenses that FULTON used his corporations to pay for was the construction of his home in Benicia. FULTON knew that such personal expenditures should have been reported on his personal income tax return, nonetheless filed returns omitting that information.

The maximum statutory penalty for tax evasion is five years in prison. In the plea agreement, FULTON and the government agreed that the appropriate sentence was five months in prison and five months in home detention. If the court decides that a higher sentence is appropriate, FULTON may withdraw his plea and the government will not be bound by any provision of the plea agreement.

The defendant is scheduled for further proceedings before the Honorable Edward J. Garcia on April 11, 2008 at 10:00 a.m.

###