U. S. Department of Justice



United States Attorney Northern District of Illinois

Patrick J. Fitzgerald United States Attorney Federal Building 219 South Dearborn Street, Fifth Floor Chicago, Illinois 60604 (312) 353-5300

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AUSA Kaarina Salovaara 312-353-8880
AUSA/PIO Randall Samborn 312-353-5318

DOWNERS GROVE CONTRACTOR SENTENCED TO A YEAR AND A DAY IN PRISON FOR HIDING \$864,000 SKIM FROM FEDERAL TAX RETURNS

CHICAGO — The president and sole owner of a Downers Grove construction company was sentenced today to serve a year and a day in federal prison for filing false federal individual income tax returns that failed to disclose more than \$864,000 in unreported income over two years and failing to pay additional taxes totaling more than \$260,000. The defendant, **Robert W. Conforti, Sr.**, 65, of Downers Grove, was also ordered to pay \$260,903 in restitution by U.S. District Judge Matthew Kennelly, who imposed the sentence in Federal Court. Conforti was ordered to begin serving his sentence on March 1, 2012.

In imposing sentence, Judge Kennelly told Conforti that incarceration was appropriate given the severity of his offense and, in part, to deter other from similar criminal conduct.

Conforti owned Conforti Construction Co., which provided a variety of services including drywall work and painting. He was indicted in April on two counts of filing false federal income tax returns. He pleaded guilty to one count in September, while agreeing to the allegations in the second count as relevant conduct.

The sentence was announced by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Alvin Patton, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago.

According to court documents, for calendar year 2004, Conforti under-reported his business income by \$324,381, resulting in an underpayment of \$103,365. For calendar year 2005, he understated his business income by \$540,328, resulting in an underpayment of \$157,538. For both years combined, Conforti owed additional taxes of \$260,903 as a result of under-reporting his business income by \$864,709.

Conforti operated his business as a Subchapter S Corporation, and was required to report his company's annual net income or loss on schedules and attachments filed with his individual federal tax return. Instead, on numerous occasions, Conforti intentionally took cash from some of the business's gross receipts and deliberately misstated the actual gross receipts in a financial record. He also occasionally took cash from the business by falsely representing that certain checks were for business expenses when, in fact, he took the money for his personal use. Additionally, he wrote a number of checks payable to subcontractors that he cashed at a currency exchange. Conforti created numerous false financial records to hide the under-reporting of his firm's gross receipts and the inflation of its expenses by hundreds of thousands of dollars. He then provided these false records showing a net business loss to his tax preparer, concealing his skim of cash from the business and his misrepresentation of his firm's net expenses.

The government is being represented by Assistant U.S. Attorney Kaarina Salovaara.

Filing a false federal income tax return carries a maximum penalty of three years in prison and a \$250,000 fine. In addition, a defendant convicted of a tax offense faces mandatory costs of

prosecution and remains civilly liable to the Government for any and all back taxes, as well as a civil fraud penalty of 75 percent of the underpayment plus interest.

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