



Department of Justice

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ALBANY AREA DISBARRED ATTORNEY HELD IN CONTEMPT

John J. Kelleher fails to comply with IRS summons and court orders

Albany, New York- United States Attorney Richard S. Hartunian announced that former attorney John J. Kelleher appeared today before United States District Court Judge David N. Hurd after Judge Hurd found him to be in contempt and issued an order for his arrest. The order was issued on September 13, 2012, after Kelleher failed to appear for his court appearance.

On July 7, 2011, the Internal Revenue Service served Kelleher with a summons directing him to appear on July 25, 2011 and provide tax information for the tax year ending December 31, 2010. Kelleher failed to appear that day and did not provide the requested documents. On January 31, 2012, Judge Hurd signed an Order to Show Cause directing Kelleher to provide an explanation as to why he should not be held in contempt for failing to comply with the IRS summons. Although initially given until March 23, 2012 to respond, this time period was later extended and Kelleher was given until April 30, 2012 to comply. However, he failed to comply by that date. On April 30, 2012, Judge Hurd signed an Order to Compel Compliance again directing Kelleher to supply the requested information and appear in court on May 14, 2012. While Kelleher thereafter partially complied with the summons, he did not provide all the requested documents. He also failed to appear in court on May 14, 2012. On August 9, 2012, Judge Hurd issued another Order to Show Cause directing Kelleher to provide an explanation as to why he should not be held in contempt for failing to completely comply with the Court's previous orders. As part of this Order, the Court directed Kelleher to appear before it on

September 6, 2012. However, once again, Kelleher failed to appear. As a result, on September 13, 2012, Judge Hurd held Kelleher in contempt and ordered that he be arrested.

Kelleher voluntarily appeared today in front of Judge Hurd. He apologized to Judge Hurd and the United States Attorney's Office for his failure to respond and to appear in court as directed, admitting that it was disrespectful. Judge Hurd ordered him to comply with the IRS summons by October 25, 2012. In the event he fails to comply by that date, the Court ordered that he pay a fine of \$100.00 per day, until he fully complies. Judge Hurd also ordered him to post a bond in the amount of \$500.00 by October 11, 2012. In the event he fails to comply with the Judge's orders and the IRS summons, the bond will be forfeited and other sanctions will be imposed.

According to United States Attorney Richard S. Hartunian, his office will continue to support the mission of the IRS in ensuring that individuals and companies comply with requests of that agency for records and pay their taxes. "It simply is not fair that certain individuals comply with the law, while others act irresponsibly and fail to do so. We will take whatever steps are permissible under the law to enforce the efforts of a federal agency and the orders of a federal judge."

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