



*United States Attorney  
Southern District of New York*

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**CO-OWNER OF CEMENT AND MASONRY CONTRACTOR SENTENCED  
TO ONE YEAR AND ONE DAY IN PRISON FOR SCHEME TO FILE  
FALSE TAX RETURNS AND ILLEGALLY STRUCTURE TRANSACTIONS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that THOMAS MULLAHY, a former co-owner of A+ RESTORATION CONSULTANTS CORP. ("A+"), was sentenced today to one year and one day in prison for his role in a conspiracy to file false tax returns and structure cash transactions to evade Department of Treasury reporting requirements. MULLAHY was also ordered to pay restitution of more than \$634,000, to the IRS. The sentence was imposed by U.S. District Judge LAURA TAYLOR SWAIN. In November 2010, MULLAHY's brother, GARRY MULLAHY, was sentenced by U.S. District Judge WILLIAM H. PAULEY III for his role in the same scheme to two years in prison and ordered to pay restitution of more than \$985,000 to the IRS.

According to the Information charging MULLAHY and statements made during his guilty plea and sentencing:

THOMAS MULLAHY and his brother, GARRY MULLAHY, owned A+, a Queens-based cement and masonry contractor that operated in the New York City area. Between 2004 and 2007, THOMAS and GARRY MULLAHY engaged in a scheme to generate cash derived from customers of A+ in such a way that the receipt of this revenue was concealed from A+'s accountants and, ultimately, omitted from the corporate income tax returns filed on behalf of A+. THOMAS and GARRY MULLAHY used a portion of the cash generated to pay employees of A+. These payments to employees were in the form of cash and were not subject to withholding, such that THOMAS and GARRY MULLAHY evaded the payment of payroll taxes and filed, and caused the filing of, false payroll tax returns. The scheme also involved generating fraudulent business expenses, which, in fact, had not been incurred by A+, so as to reduce A+'s taxable income.

To execute this scheme, GARRY and THOMAS MULLAHY maintained bank accounts that they concealed from their

accountants. Accordingly, the activities in these accounts were not reflected on the corporate income tax returns of A+. THOMAS and GARRY MULLAHY also illegally structured cash transactions from the accounts they had concealed, by withdrawing cash or cashing checks in amounts equal to or less than \$10,000, in order to evade the filing of Currency Transaction Reports with the Department of the Treasury. These reports are, in general, required to be filed by domestic financial institutions and money services businesses for transactions that involve \$10,000 or more in cash. A+ ceased to do business in approximately late 2007.

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THOMAS MULLAHY, age 41, resides in Middle Village, New York. GARRY MULLAHY, age 43, resides in Irvington, New York.

Mr. BHARARA thanked the Internal Revenue Service, Criminal Investigation Division, which investigated the case, and the U.S. Department of Labor, Office of the Inspector General, which assisted in the investigation.

The case is being handled by the Complex Frauds Unit of the United States Attorney's Office. Assistant U.S. Attorney DANIEL W. LEVY is in charge of this prosecution.

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