



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE

January 25, 2010

CONTACT: U.S. ATTORNEY'S OFFICE

YUSILL SCRIBNER

REBEKAH CARMICHAEL

JANICE OH

PUBLIC INFORMATION OFFICE

(212) 637-2600

IRS

JOSEPH FOY

PUBLIC INFORMATION OFFICE

(212) 436-1032

**YONKERS CONSTRUCTION COMPANY OWNER PLEADS GUILTY IN
MANHATTAN FEDERAL COURT TO PAYROLL TAX EVASION FOR
PAYING WORKERS OFF-THE-BOOKS**

PREET BHARARA, the United States Attorney for the Southern District of New York, and PATRICIA J. HAYNES, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service ("IRS"), announced that PATRICK BOLAND, a construction company owner in New York City, pleaded guilty today in Manhattan federal court to conspiracy to evade payroll taxes by paying employees "off-the-books" in cash, and to file false currency transaction reports ("CTRs") at the time the cash was obtained to pay his employees. According to the Information to which he pleaded guilty:

BOLAND owned two construction companies -- Alcon Associates Inc. and Alcon Builders Group Inc. -- that performed residential, retail, and medical construction in New York City. From at least January 2000 through January 2008, BOLAND paid his construction employees in cash so he could avoid withholding required taxes, including the employer and employee components of Social Security and Medicare taxes, and so that his employees could themselves evade these and other taxes. BOLAND paid his employees over \$1.9 million in cash from January 2000 through January 2008, and failed to remit at least \$298,546 in federal payroll taxes due on those wages.

To obtain the necessary cash, BOLAND used a Manhattan check-cashing company to cash a large number of checks, usually in amounts of many tens of thousands of dollars, purportedly payable from his construction companies to various subcontractors. Financial institutions, including check-cashing companies, are required to file CTRs with the IRS to identify the

parties to any cash transaction of \$10,000 or more. However, to disguise BOLAND's role in the transactions, BOLAND and an officer of the check-cashing company agreed to file CTRs that falsely reported that the checks in question had been cashed by an individual who in fact had no involvement in the transactions. False CTRs covering nearly \$2 million in cash were filed with the IRS in connection with BOLAND's cash transactions.

BOLAND, 44, of Yonkers, New York, pleaded guilty before United States District Judge JOHN G. KOELTL to a one-count Information charging BOLAND with conspiracy to defraud the IRS, to commit tax fraud, and to evade currency reporting requirements. He faces a maximum term of 5 years in prison. In addition, the Information contains a forfeiture allegation seeking forfeiture of at least \$195,128, representing a portion of the funds BOLAND obtained in connection with the filing of false CTRs. BOLAND has also agreed to pay at least \$298,546 to the IRS in restitution for the lost tax revenue. BOLAND is scheduled to be sentenced on April 30, 2010.

Mr. BHARARA praised the investigative work of the IRS in this case.

This investigation is being handled by the Complex Frauds Unit of the United States Attorney's Office. Assistant United States Attorney HARRY A. CHERNOFF is in charge of the prosecution.

10-024

###