



*United States Attorney
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**FORMER OWNER-OPERATOR OF PAINTING CONTRACTOR
SENTENCED TO 8 MONTHS IN PRISON ON PAYROLL
AND INCOME TAX VIOLATIONS**

PREET BHARARA, United States Attorney for the Southern District of New York, and CHARLES R. PINE, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service, Criminal Investigation Division ("IRS-CID"), announced that GLORIA TROZZO, former owner and operator of Trozz Enterprises Inc. ("Trozz Enterprises"), was sentenced yesterday in Manhattan federal court to 8 months in prison and ordered to pay restitution of over \$383,000, for evading taxes on over \$1.46 million in cash payroll and \$375,900 in personal income. The sentence was imposed by U.S. District Judge THOMAS P. GRIESA.

According to the felony Information and other documents filed in this case and statements made during the defendant's guilty plea and sentencing:

TROZZO owned, operated, and controlled Trozz Enterprises, a commercial painting contractor with its principal offices in East Meadow, New York. From about 2003 through late 2006, rather than depositing all of the checks received from the customers of Trozz Enterprises into bank accounts, TROZZO cashed many of these checks at check-cashing establishments located in, among other places, the Bronx.

TROZZO used the cash generated by her check-cashing activity to pay the employees of Trozz Enterprises cash wages that were not reported to the Internal Revenue Service (the "IRS"). She also failed to withhold or remit to the IRS the required payroll taxes under the Federal Insurance Contributions Act ("FICA") for these employees. Over the course of her

conduct, TROZZO paid cash wages, on which there was no withholding, of over \$1.46 million, which resulted in the underpayment of total FICA taxes of over \$193,500.

TROZZO also received some of the cash generated by the check-cashing activity as income, and did not report that income to the IRS on her own federal tax returns. Over the course of her conduct, TROZZO received unreported income of over \$375,900, and evaded over \$90,100 of federal income taxes.

In imposing the sentence, Judge GRIESA called the tax evasion scheme "very badly intended" and "really deliberate criminal activity over some period of time." Judge GRIESA also sentenced TROZZO to one year of supervised release and ordered her to pay over \$380,000 in restitution to the IRS.

TROZZO, age 51, resides in East Meadow, New York.

Mr. BHARARA praised the investigative work of IRS-CID, and thanked them for their assistance on the case.

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

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