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NEWS RELEASE

Candace Whitman (a/k/a Candace Cannon) was charged by indictment¹, on January 11, 2011, with four counts of income tax evasion, announced United States Attorney Zane David Memeger. According to the indictment, the defendant was employed by a corporate relocation firm in Phoenix, Arizona from 1999 until August 2004, when she moved to Pennsylvania. During her employment, the defendant earned a six-figure salary, as well as additional income from rental properties that she owned and operated in and around Phoenix.

The indictment alleges that, beginning in September 2000, the defendant began submitting to her employer annual W-4 Employee's Withholding Allowance Certificates in which she claimed that she was exempt from federal income tax withholdings. As a result, the defendant had no federal income taxes withheld from her salary from 2001 through 2004. The indictment further alleges that the defendant failed to file income tax returns for the years 2001 through 2004, and, beginning in 2005, filed false and fraudulent individual income tax returns on which she reported only interest income and no income from her employer, in stark contrast to the W-2s and 1099s that she received. Subsequently in 2007, the defendant filed amended individual tax returns for the years 2001 through 2004 in which she also reported zero interest income, thereby completely eliminating any taxable income for those years. As a result, the indictment alleges that the defendant evaded federal taxes in excess of \$90,000.

INFORMATION REGARDING THE DEFENDANT

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Candace Whitman	Birdsboro, PA	42

If convicted, the defendant faces a maximum possible sentence of 20 years' imprisonment, a \$400,000 fine, a three-year term of supervised release, and a \$400 special assessment.

The case was investigated by the Internal Revenue Service Criminal Investigation Division, and is being prosecuted by Assistant United States Attorney Karen M. Klotz.

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¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

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