



U.S. Department of Justice

Carlie Christensen

**United States Attorney
District of Utah**

**FOR IMMEDIATE RELEASE
Feb. 28, 2011**

**CONTACT: MELODIE RYDALCH
U. S. Attorney's Office
801-325-3206
801-243-6475 (cell)**

NEWS RELEASE
***GRAND JURY RETURNS INDICTMENT
CHARGING UTAH WOMAN
WITH TAX EVASION***

SALT LAKE CITY – Janean Del’Andrae, age 54, of Sandy, charged in a federal indictment with three counts of tax evasion, will appear for an initial appearance on the charges March 22, 2011, at 11:30 a.m. before U.S. Magistrate Judge David Nuffer.

According to the indictment, returned by a federal grand jury Feb. 16, 2011, Del’Andrae worked as secretary and treasurer for Del-Co Western Corporation, a Utah business selling water pumps.

The indictment alleges that as the secretary and treasurer for the business, Del’Andrae was responsible for payroll and state sales taxes and was the only employee with the ability to make adjusting entries to the books and records of Del-Co Western. She also was married to the majority stockholder and president of the business, identified in the indictment as T.D., and filed joint individual tax returns with him.

The indictment alleges that beginning in January 2005, Del'Andrae implemented a scheme to divert corporate business income for her personal use and that of her husband. As a part of this scheme, the indictment alleges she did not report checks from Del-Co customers as income on the books of Del-Co and deleted the invoices related to these payments from the company's records. As a result of her actions, these checks from Del-Co's customers were not reported as income on the corporate tax returns filed by Del-Co for tax years 2004 and 2005.

According to the indictment, funds from the checks that were not reported as income by Del-Co were used to fund checks to T.D. The books and records of Del-Co reported these checks to T.D., but also contained reconciling entries that caused the books to balance without further explanation of the checks to T.D. Del'Andrae and T.D. did not report the money from these checks as income on their personal tax return for 2005, the year the money was received.

For example, one of the affirmative acts in count one of the indictment alleges that on January 3, 2005, Del'Andrae made a \$75,000 deposit that represented payment from various customers of Del-Co into the business account of the company. On or about January 25, 2005, the indictment alleges, she caused it to be entered into the books and records of the company as a loan and repayment with T.D. These accounting entries caused this transaction not to be included as income on the 2004 corporate tax return of Del-Co.

Each count of tax evasion carries a potential maximum penalty of five years in prison. Indictments are not findings of guilt. Individuals charged in indictments are presumed innocent unless or until proven guilty in court.

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