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**TAX CHEAT SENTENCED TO 18 MONTHS IN PRISON FOR FAILURE TO FILE TAX
RETURNS AND FILING FALSE RETURNS - FAILED TO REPORT OVER \$2 MILLION IN
INCOME**

Greenbelt, Maryland - U.S. District Judge Roger W. Titus sentenced Cornell W. Garrison, age 47, of Upper Marlboro, Maryland, today to 18 months in prison followed by one year of supervised release for failure to file federal corporate income tax returns and filing false personal income tax returns, announced United States Attorney for the District of Maryland Rod J. Rosenstein and Assistant Attorney General Nathan Hochman of the Justice Department's Tax Division. Judge Titus found that the amount of tax loss caused by Garrison's crimes was \$400,000, and ordered Garrison to pay restitution in that amount and a \$5,000 fine.

"Today's sentence makes it clear that those who seek a short-term illicit gain by violating our nation's tax laws will pay a heavy price. They face being branded a felon for the rest of their lives as well as serving time in prison and still being required to pay back all of the taxes with interest and steep penalties," said Nathan J. Hochman, Assistant Attorney General of the Justice Department's Tax Division.

"The mission of the IRS is to apply the tax laws with integrity and fairness to all. This means, for all honest taxpayers, we also ensure that those who attempt to cheat the government will be held accountable," said Eileen Mayer, IRS Chief, Criminal Investigation. "The use of bogus financial transactions to conceal income and evade the legal requirement to pay taxes is criminal conduct and will not be tolerated."

According to his guilty plea and other court documents, from April 1993 to the present, Garrison bought and sold residential real estate in Prince George's County, Maryland and in Washington, D.C., both in his personal capacity and through corporations and limited liability companies that he formed under Maryland law. From March 1996 through February 2007 Garrison either individually or through his companies, sold 42 parcels of property for a gross profit of about \$2,381,598. Garrison did not report any of the income to the Internal Revenue Service. During that period, Garrison filed personal income tax returns that falsely omitted the profits he had earned and Garrison willfully ignored the requirement to file other tax returns, including some corporate returns for the companies he formed or any personal tax returns for tax years 2004 to the present.

According to testimony at today's sentencing hearing, Garrison attempted to conceal his profits by operating through a number of corporate entities and limited liability companies without any commercial purpose

or need for more than one. For example, in transacting real estate sales through WBF & Associates, which Garrison formed in 2001, Garrison was able to take advantage of the corporate exemption from having sales reported to the IRS through the filing of Form 1099-S, thereby concealing Garrison's failure to file tax returns for WBF and report its gross profits. In addition, Garrison failed to maintain books and records for these corporations and limited liability companies and commingled assets of these entities, making it difficult to conduct an audit.

United States Attorney Rod J. Rosenstein thanked the Internal Revenue Service - Criminal Investigation for their investigative work and commended Assistant United States Attorney Robert K. Hur and Trial Attorney John Hinton III, of the Department of Justice Tax Division, who prosecuted the case.

[HOME](#)