



# U.S. Department of Justice

*United States Attorney  
District of Idaho*

---

THOMAS E. MOSS, United States Attorney  
MARC HAWS, First Assistant United States Attorney  
RAFAEL M. GONZALEZ, Jr., Criminal Chief  
NICHOLAS J. WOYCHICK, Civil Chief

*Washington Group Plaza IV  
800 E. Park Blvd., Suite 600  
Boise ID 83712  
(208) 334-1211*

## **NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

**ON MAY 15, 2009**

**CONTACT: KRISTI JOHNSON**  
**Public Information Officer**  
**KEVIN MALONEY**  
**Assistant United States Attorney**  
**(208) 334-1211**

### **FORMER EAGLE BUSINESSMAN CHARGED WITH TAX EVASION**

Douglas Fitzgerald, 67, formerly of Eagle, Idaho, was indicted by a Boise federal grand jury for six counts of tax evasion and one count of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Code.

The indictment alleges that Fitzgerald filed false tax returns that omitted the income from the sale of his business' assets and from the sale of real property. Specifically, the indictment alleges that from approximately December 24, 1997, through October 22, 2006, Fitzgerald used nominees to conceal his income and his ownership of real estate from the IRS. Fitzgerald had sold assets of a business in December of 1998, and from 1999 through 2003, he received substantial income from that sale. However, Fitzgerald claimed that the income from this sale was received by The Fellowship Society, a purported religious organization. In reality, The Fellowship Society was created by Fitzgerald and was a nominee used by Fitzgerald to conceal his income and ownership of real estate from the IRS.

The indictment further alleges that in 2005, Fitzgerald sold two large parcels of land. Before the land was sold, Fitzgerald transferred title of one parcel to The Fellowship Society and another parcel to Paradise Flats Society, a second purported religious organization. A large part of the proceeds from these sales was sent to a bank account in the Philippines in the name of Fitzgerald's wife. Fitzgerald used another part of the proceeds to purchase a house for his daughter.

The maximum statutory penalty for each count of tax evasion is five years of

incarceration, a \$250,000 fine, and three years of supervised release. The maximum statutory penalty one count of a corrupt endeavor to obstruct and impede the IRS is three years of incarceration, a \$250,000 fine, and one year of supervised release. Any sentence following conviction, however, would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division.

An indictment contains only allegations against an individual and, as with all defendants, the defendant is presumed innocent unless and until proven guilty.

#####