

The United States Attorney's Office

Southern District of Florida

Press Release

BROWARD MAN INDICTED IN TAX FRAUD SCHEME

March 16, 2010

FOR IMMEDIATE RELEASE

Michael D. Beiter, Jr., a resident of Broward County, Florida., appeared in federal court today before Magistrate Judge Barry S. Seltzer in Fort Lauderdale, FL, on tax and false securities charges, announced U.S. Attorney Jeffrey H. Sloman and Daniel W. Auer, Special Agent in Charge, Internal Revenue Service, Criminal Investigation Division. Beiter was charged with corruptly impeding the IRS, sending fictitious financial instruments to creditors, and helping one of his clients evade more than \$900,000 in federal income tax.

According to the superseding indictment, the defendant marketed a debt elimination and abusive tax scheme. The scheme was premised on the idea that individuals are "sovereigns" who can "declare their independence" from ordinary obligations such as paying creditors and federal income taxes. Beiter promoted the sale of abusive tax packages to more than 100 clients. The superseding indictment also alleges that Beiter mailed false tax returns to the IRS, opened bank accounts with bogus taxpayer identification numbers and set up abuse tax packages for his clients. The superseding indictment also alleges that Beiter attempted to intimidate IRS employees and members of the federal judiciary.

If convicted on all counts, Beiter faces a maximum term of 168 years in prison and a maximum fine of \$2,500,000.

The case is being prosecuted by Assistant U.S. Attorney Bertha R. Mitrani and Tax Division Trial Attorney Jed Silversmith. The case was investigated by the IRS Criminal Investigation Division and the U.S. Postal Inspection Service.

An Indictment is only an accusation and a defendant is presumed innocent until and unless proven guilty.

Additional information about the Justice Department's Tax Division and its enforcement efforts may be found at <http://www.usdoj.gov/tax>.

Attachments:

Indictment (PDF)

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at <http://www.usdoj.gov/usao/fls>. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at <http://www.flsd.uscourts.gov> or on <http://pacer.flsd.uscourts.gov>.

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