



*Office of the United States Attorney
Eastern District of Kentucky
Kerry B. Harvey, United States Attorney*

London Physician Arrested for Tax Evasion

FOR IMMEDIATE RELEASE

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LONDON — A federal indictment unsealed today charges a London, Ky., physician, who has worked in hospitals and medical offices in eastern Kentucky and Tennessee, with tax evasion.

The IRS arrested 63-year-old Werner Grentz late yesterday afternoon. Grentz allegedly earned between \$169,000 to \$356,000 each year from 2005 to 2010, but failed to file tax returns for those years. Grentz worked in hospitals and medical offices in London, Manchester, and Monticello, Ky., and in Jellico, Tenn.

According to the indictment, Grentz evaded his taxes by providing one of his employers with an IRS form in which he falsely claimed that he was exempt from having federal income tax withheld from his earnings. He also allegedly had his earnings deposited into bank accounts of companies that he controlled in order to hide his income.

A federal grand jury in Lexington returned the sealed indictment on April 6.

Kerry B. Harvey, United States Attorney for the Eastern District of Kentucky, Kathryn M. Keneally, Assistant Attorney General for the Tax Division, and Christopher A. Henry, Special Agent in Charge, Internal Revenue Service, Criminal Investigation Division, jointly made the announcement today.

The investigation preceding the indictment was conducted by the Internal Revenue Service, Criminal Investigation Division. The United States is represented in the case by Assistant United States Attorney John Patrick Grant and Kenneth C. Vert, Trial Attorney, U.S. Department of Justice Tax Division.

Grentz is currently scheduled to appear for an arraignment in United States District Court in London, Ky., on May 2, 2012, at 4:30 p.m. If convicted, Grentz faces a maximum prison sentence of five years. However, any sentence following conviction would be imposed by the court after consideration of the United States Sentencing Guidelines and the federal statute governing the imposition of sentences.

The indictment of a person by a grand jury is an accusation only, and that person is presumed innocent unless proven guilty.

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