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## Doctor Arrested On Charges Of Tax Fraud

FOR IMMEDIATE RELEASE

March 27, 2014

Elias Karkalas, 50, a medical doctor who resides in Phoenixville, Pennsylvania, was arrested yesterday on tax charges, announced United States Attorney Zane David Memeger. Karkalas owned and operated Upper Merion Family Practice P.C. The indictment, unsealed today, charges corrupt or forcible interference with the administration of Internal Revenue Laws, filing false individual and corporate tax returns, and failing to file personal and corporation tax returns.

According to the indictment, Karkalas was a participant in an Internet pharmacy organization which permitted individuals, seeking to purchase prescription drugs, to acquire a prescription from a physician without an examination. Between 2005 and 2011, Karkalas allegedly authorized more than 750,000 prescriptions for which he was paid approximately \$2.5 million which the defendant failed to report on his corporate and individual tax returns.

If convicted, Elias Karkalas faces a maximum possible sentence of 15 years in prison, a fine of up to \$1.3 million, restitution to the IRS, a special assessment of \$475, and two years of supervised release.

The case was investigated by Internal Revenue Service Criminal Investigations. It is being prosecuted by Assistant United States Attorney Floyd J. Miller and Trial Attorney Dennis R. Kihm, with the U.S. Department of Justice's Tax Division.

An Indictment, Information or Criminal Complaint is an accusation. A defendant is presumed innocent unless and until proven guilty.

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