UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

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|---|---|---|
| **UNITED STATES OF AMERICA** | * | **CRIMINAL NO. 2:14-CR-0043** |
| **v.** | * | **SECTION: B(1)** |
| **KENDALL O. MARQUAR** | * | **VIOLATION: 26 U.S.C. § 7203** |

* * *

## FACTUAL BASIS

Should this matter have proceeded to trial, the Government would have proven, through the introduction of competent testimony and admissible evidence, the following facts, beyond a reasonable doubt, to support the allegations in the Bill of Information now pending against the defendant, **KENDALL O. MARQUAR** (“**MARQUAR**” or the “defendant”):

The defendant, **MARQUAR**, has agreed to plead guilty to Count 1 of the pending Bill of Information, failing to file his federal income taxes, in violation of Title 26, United States Code, Section 7203.

Evidence, including admissible documents and testimony, would be introduced to prove that from in or about 2000 through in or about 2012, **MARQUAR** was the sole owner of a company called K&D Earthworks (“K&D”) that provided, among other things, construction services as a vendor at the Orleans Parish Sheriff's Office (“OPSO”), located in New Orleans, Louisiana, within the Eastern District of Louisiana. K&D was headquartered in Waveland, Mississippi, where **MARQUAR** resided. For each of the calendar years 2007, 2008, and 2009, evidence, including admissible documents, such as IRS certificates of non-filing, would be introduced to prove that the defendant, **MARQUAR**, willfully did not file federal income tax returns at the time required by law. For each of these years, evidence, including financial records, would be introduced to prove that **MARQUAR** was required to file federal income tax returns because he received gross income which exceeded the minimum amount required for filing under the Internal Revenue Code. For each of these years, the defendant, **MARQUAR,** via his solely-owned company, K&D, received taxable income, with a tax due and owing to the United States, as follows:

| Tax Year | Adjusted Taxable Income | Tax Due and Owing |
|---|---|---|
| 2007 | $277,440 | $80,658 |
| 2008 | $141,355 | $35,381 |
| 2009 | $161,584 | $40,902 |

As set forth above, **MARQUAR** willfully failed to file federal tax returns in each of the years 2007, 2008, and 2009. The total amount of income **MARQUAR,** as a result of his non-filing, failed to report was $580,379. The total amount of tax due and owing to the United States as a result of this income is $156,941.00.

Financial records, including bank records of the defendant and K&D, and corporate records, would be introduced to prove the facts as set forth above. Testimonial evidence, including testimony from representatives of the Internal Revenue Service, as well as special agents from the Internal Revenue Service, would also be admitted to prove the facts set forth above, including the calculations of tax loss and tax amounts due and owing by **MARQUAR**.

SS

MATTHEW S. CHESTER
Assistant United States Attorney
Texas Bar No. 24045650

6/3/2014
Date

DAVID COURCELLE, ESQ.
Attorney for the Defendant
La. Bar Roll No. 23696

6-3-14
Date

KENDALL O. MARQUAR
Defendant

6/3/14
Date