

NEWS

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Clementon Tax Preparer Sentenced to 27 Months in Prison For Preparing False Tax Returns

(More)

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CAMDEN – A Clementon tax preparer was sentenced to 27 months in federal prison today for aiding and assisting others in filing approximately 408 false income tax returns, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Joseph E. Irenas also ordered Anthony D’Auria, 65, to serve one year of supervised release upon the completion of his prison term. In deciding not to order a fine, Judge Irenas noted that the IRS has assessed the defendant approximately \$600,000 in back taxes, penalties and interest. Judge Irenas continued the defendant’s release on a \$100,000 bond pending his surrender to the U.S. Bureau of Prisons on a date to be determined by prison officials.

D’Auria made his first appearance in federal court on May 9, 2008, before Judge Irenas and pleaded guilty to a four-count Information. At his plea hearing, D’Auria stated that during the tax years 2000 through 2005 he owned and operated D’Auria and Associates, located in Gloucester Township, which was in the business of preparing tax returns for clients. During that time period, D’Auria schemed to defraud the Internal Revenue Service of income tax revenues by use of phony losses by purported Subchapter S corporations, to enable some of his clients to fraudulently reduce their tax liability, he admitted.

D’Auria admitted that he prepared approximately 408 U.S. Individual Income Tax returns in total for his clients, each of which claimed phony losses for various purported Subchapter S corporations. In fact, none of the Subchapter S corporations ever existed, D’Auria admitted. Nevertheless, to execute his scheme to defraud the IRS, D’Auria caused many of his clients to declare losses on their tax returns supposedly resulting from the operation of those fictitious corporations, which reduced their tax liability.

As examples of his scheme, D’Auria admitted that on April 15, 2002, he caused taxpayers identified only as J.C. and C.C. to file a joint U.S. Individual Income Tax return that fraudulently declared on Schedule E a loss of \$22,144 resulting from the purported operation of ASD Associates, Inc. On April 15, 2003, D’Auria caused taxpayer R.G. to file a U.S. Individual Income Tax return, which fraudulently declared on Schedule E a loss of \$17,102 resulting from the purported operation of ASD Associates, Inc., and a loss of \$26,432 resulting from the purported operation of Lauria Associates Inc.

In determining the actual sentence, Judge Irenas consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents with the IRS Criminal Investigation, under the direction of Special Agent in Charge William P. Offord, with the investigation leading to the guilty plea.

The government is represented by Assistant U.S. Attorney Howard Wiener of the Criminal Division in Camden.

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Defense Attorney: Michael Pinsky, Esq. Haddon Township