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## **LOCAL BUSINESSMAN, CPA IS SENTENCED TO PRISON FOR FEDERAL CRIMINAL TAX VIOLATION**

### *Hoover to Serve 12 Months for Filing False Tax Returns*

MONROE, La.: GARY HOOVER was sentenced to 12 months in a federal prison, United States Attorney Donald W. Washington and IRS Special Agent in Charge Michael J. DePalma announced today. Hoover, 52, of Monroe, La., plead guilty last December to a Bill of Information charging one count of filing fraudulent returns and other documents. Monday's sentence was imposed by United States Chief Judge Robert G. James.

HOOVER admitted to filing 23 false documents with the IRS between September 2002 and June 2004 involving five automobile dealerships which he and other family members owned. HOOVER, along with other family members, owned interests in Ruston Ford Lincoln Mercury, Twin City Imports, Diamond Dodge Chrysler Jeep, Rayville Autoplex, and LaPlace Dodge Chrysler Jeep. The ownership interests were held by HOOVER and his relatives, either directly or indirectly, through Vision Quest, LLC. Each member of the Hoover Group owned a 25% share of Vision Quest.

HOOVER, a CPA himself, directed his accountant to over-allocate net operating losses to the Hoover Group and Vision Quest, although HOOVER knew that the ownership percentages given to the accountant for allocation of the losses were incorrect. HOOVER then hired another CPA to carry these net operating losses back to prior years by filing amended tax returns, which caused HOOVER and relatives to receive refunds of taxes previously paid to the IRS.

HOOVER supervised the preparation of the individual tax returns of the Hoover Group and the partnership tax return of Vision Quest. HOOVER signed and filed his personal returns and that of Vision Quest. He reviewed the returns for the other members of the Hoover Group and then presented the returns for their signature. The loss to the government for the misrepresentations of GARY HOOVER total \$550,019 for criminal purposes for all of the involved returns. Calculations to determine what civil assessment was due to the government, including interest and penalties, total \$2,339,550, an amount collected from Hoover at the time of the plea.

Donald W. Washington, United States Attorney, stated: "Taxpayers do not have the right to disregard and violate federal tax laws. The obligation to pay taxes due to the United States is well established under federal law. When one evades the payment of income taxes, a greater burden is placed upon those who lawfully pay taxes due to the United States Treasury. This office is committed to aggressively pursuing those taxpayers who willfully fail to file their tax returns and evade taxes."

Michael J. De Palma, Special Agent in Charge of Internal Revenue Service Criminal Investigation, stated: "It is the goal of IRS Criminal Investigation to work with the Department of Justice to ensure that those engaged in illegal activities are brought to justice. IRS Special Agents are highly skilled investigators who will work tirelessly to stop those individuals who scheme to benefit themselves to the detriment of other citizens and their government."

The case was investigated by the Internal Revenue Service - Criminal Investigation, Shreveport Office, and is being prosecuted by Assistant United States Attorney C. Mignonne Griffing.

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