



Department of Justice

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Second Garrard County Man Pleads Guilty In \$15 Million Tax Fraud Scheme

LEXINGTON, Ky. – Warren Griffin, II, 50, of Lancaster, Kentucky pleaded guilty today, before Chief United States District Judge Karen K. Caldwell, to joining with Clarence Michel, Jr. in a \$15 million tax fraud scheme. As part of this plea agreement, Griffin agreed to pay \$2.8 million in restitution to the Internal Revenue Service.

According to his plea agreement, Griffin recruited and paid associates to open staffing companies and bank accounts, whose primary purpose was to hide from the IRS the fact that Griffin and Michel's businesses had failed to pay \$14,671,184 in federal payroll taxes. Griffin obtained \$2,118,584 of that money. During this time, Griffin also underpaid his personal federal income taxes by \$700,428.

Michel had previously pleaded guilty and been sentenced to 71 months in federal prison and ordered to pay over \$19 million in restitution. Griffin is scheduled to be sentenced on September 11, 2019. He faces up to 5 years in prison and a maximum fine of \$250,000 or twice the amount of the loss. However, any sentence will be imposed by the Court after consideration of the U.S. Sentencing Guidelines and the federal statutes.

Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky, and William Chung, Acting Special Agent in Charge, Internal Revenue Service – Criminal Investigation, jointly announced the plea.

The investigation was conducted by the Internal Revenue Service-Criminal Investigation. Assistant U.S. Attorney Dmitriy Slavin represented the United States.

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