



July 25, 2010

Myrtle Beach Political Campaign under FBI, IRS Investigation

The FBI and IRS have begun investigations into campaign contributions amounting to \$239,500 for political action committees and area politicians including gubernatorial candidate Gresham Barrett and members of the Myrtle Beach City Council by interviewing at least two individuals thus far. The money appeared to be collectively contributed by 14 corporations with ties to the Myrtle Beach Area Chamber of Commerce. But the queer thing is that some of those corporations did not have money at the time of the contribution. One corporation had even been dissolved for two years for failing to pay their taxes when the contributions were made.

Furthermore, the contributions all came in the form of cashier's checks issued from the same bank, the Myrtle Beach-based South Atlantic Bank and were all numbered in sequential order. In addition, they also all bore the same date, June 8, 2009. The FBI and IRS want to know where the money actually came from and their investigations are focused on possible money laundering, tax fraud and criminal conspiracy.

One of the persons who have been interviewed by the FBI and IRS is state rep. Tracy Edge (R – North Myrtle Beach) who med investigators on July 7. Edge was the only politician who did not accept any of the cashier's checks and instead returned them because he was not sure of where the funds came from.

The other individual interviewed thus far is Tom Herron, the spokesman for the group, Business Owners Organized to Support Tourism, who had been vocally critical of the contributions. Herron questioned whether the contributions were kickbacks for politicians who approved a 1% increase in sales tax that goes towards the Myrtle Beach Area Chamber of Commerce marketing programs.

The registered agent for all 14 contributing corporations is Shep Guyton, a Myrtle Beach based lawyer and former chairman of the board of directors of the chamber. At the same time, Guyton is a board member of the South Atlantic bank. He has not responded to investigator's requests for an interview.

The FBI and IRS will be obtaining records from the South Atlantic bank to facilitate their investigations. Banks are also mandated to file a suspicious activity report if they suspect money laundering or any other criminal activity. The federal Bank Secrecy Act requires all financial

institutions to record and report all cash purchases of cashier's checks amounting to \$10,000 and more in a day to the IRS.

US Rep Gresham Barrett received \$49,000 in cashier's checks. Incumbent candidates for the city council including Mayor John Rhodes also received cashier's checks as did other members of Horry County's legislative delegation. All these politicians have said they do not believe the contributions were illegal.

Darrin T. Mish is a veteran, nationally recognized tax attorney who has focused on providing IRS help to taxpayers for over a decade. He regularly travels the country training other attorneys, CPAs and enrolled agents on how to handle their toughest cases with the IRS. He is highly ranked among the top attorneys in the country, with an AV rating from Martindale-Hubbell and a perfect 10 on Avvo.com. Martindale-Hubbell has also honored him with a listing in their Bar Register of Preeminent Lawyers. He is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. With clients on every continent but Antarctica, he has what it takes to solve your IRS problems no matter where you live in the world. If you would like more information about his practice and how he can help you, please call his office at (813) 229-7100 or toll free at 1-888-GET-MISH.