

Former New Jersey Mayor Faces Tax Fraud Charges

By Frank L. Brunetti on September 12th, 2012 Posted in Fraud, IRS, Taxes

A former mayor of the Toms River Township in New Jersey has plead not guilty to charges of tax evasion in pre-trial motions this week.

Carmine Inteso Jr., is facing several counts of federal tax evasion and failure to file personal income taxes and was arrested at John F. Kennedy Airport earlier in July upon his return from a civilian contract job in Afghanistan. The government charges Inteso with accepting \$291,792 in payments from an insurance broker with business interests in his town, and creating a fake company to hide the proceeds. The insurance broker associated with the tax evasion has not been listed in the case.

The IRS claims that Inteso was in violation of federal tax law between the years 2006 and 2008. Between these years, the former mayor is being accused of withdrawing \$279,000 from the “sham” company and failing to pay personal income taxes on funds received from the fake company.

“It was part of the tax evasion scheme that defendant Inteso ... (concealed) such income and purposely evade(d) the assessment of the Internal Revenue Service,” the indictment says, according to NewJersey.com.

Further, the government said in a filing that Inteso willfully failed to file tax returns for tax years 2006, 2007, and 2008, and currently carries a tax liability of \$49,000.

Inteso has plead not guilty to the charges and was released on \$200,000 bond. If convicted of the charges, the former mayor faces a maximum prison sentence of five years for each of the three tax evasion counts and one year for each of the three failure-to-file income tax counts.

The trial is expected to begin on September 19, 2012.