

Three Family Members Plead Guilty to Structuring

SARs filed by a bank resulted in the initiation of an investigation by the IRS. Three (3) family members pled guilty to conspiring to obstruct the IRS from ascertaining their true income tax liabilities for tax years 1978 through 1995 by filing false tax returns and structuring currency transaction in amounts less than \$10,000. The individuals skimmed cash receipts, which they kept in safety deposit boxes, from their three businesses. The father and mother concealed their taxable incomes by commingling their assets with each other and their son in multiple business and personal accounts. They would cash checks, make deposits, and make cash withdrawals at banks in amounts less than \$10,000 to avoid the filing of CTRs. Between February and August 1995, they structured

\$259,000 of cash deposits into three (3) different bank accounts. The commingling of funds was used to pay for the construction of their 11,000 square foot home that was later sold for \$2.6 million. In January 2002, the three (3) individuals were sentenced to prison terms and fined.

(Source: IRS/Criminal Investigation)

[Published in The SAR Activity Review – Trends, Tips & Issues, Issue 4, August 2002]