



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Cincinnati Field Office
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OWNER AND BOOKKEEPER FOR GEOCORE DRILLING, INC INDICTED WITH INCOME TAX FRAUD

COLUMBUS, OHIO -- A federal grand jury here has indicted Chad Vincent Mullins, 42, of Cardington, Ohio and Julia K. Mullins, 42, of Cardington, Ohio with a total of nine counts each relative to income tax violations involving their personal income tax returns and the corporate income tax returns of Geocore Drilling, Inc. ("Geocore").

Chad and Julia Mullins were each charged with one count each of conspiracy to defraud the Internal Revenue Service (IRS) by willfully impeding and obstructing the IRS from assessing and collecting corporate and individual income taxes with respect to Geocore; four counts each of willfully filing false individual income tax returns with the IRS; two counts each of willfully filing false corporate income tax returns with the IRS; and two counts each of willfully aiding and assisting in preparing and filing false corporate income tax returns for Geocore.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the indictment returned yesterday.

According to the indictment, the conspiracy allegedly took place between December 2006 and December 2011. Chad Mullins was the owner and operator of Geocore. Julia Mullins was the bookkeeper for Geocore, as well as the primary point of contact with income tax return preparers with respect to both the corporate and the individual income tax returns.

Chad and Julia Mullins allegedly agreed to conceal some of their income earned through Geocore by claiming business expenses for funds used for personal expenses. By doing so, the Mullins' were able to fraudulently reduce the taxable income of Geocore. Additionally, the Mullins' were able to reduce their individual income tax liability by failing to report as personal income the amount of the Geocore funds that were used for their personal expenses. This occurred on their individual and the corporate income tax returns for the 2007 through 2010 income tax years.

It has been alleged that between January 2007 and January 2010 the Mullins' used corporate funds to pay for personal expenses such as Carnival Cruise Lines, Kalahari Resort, Disney World, Las Vegas, New York City, the purchase of a Disney Vacation Club timeshare, a South African Safari, and Hawaii. In addition, it has been alleged that on approximately December 18, 2008, Chad and Julia Mullins spent \$200,000 in Geocore funds.

Conspiracy to defraud the IRS carries a maximum penalty of 5 years in prison and a fine of up to \$250,000. Willfully filing false income tax returns with the IRS and willfully aiding and assisting in the preparation and filing of false income tax returns with the IRS carries a maximum penalty of 3 years in prison and a fine of up to \$250,000.

Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office said, "This indictment is an important victory for America's taxpayers who play by the rules and have no tolerance for those who make up their own rules. This investigation serves to remind us that there is no such thing as free money and there are no awards or incentives for creativity when it comes to crime."

These cases are being prosecuted by Assistant United States Attorney Daniel Brown and were investigated by special agents of IRS-Criminal Investigation.

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