



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Las Vegas Field Office *Acting Special Agent in Charge Shea Jones*

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HENDERSON BUSINESSMAN IS SENTENCED FOR TAX EVASION

Las Vegas – March 19, 2014 – Robert E. D’Errico, 64, was sentenced this morning by U.S. District Court Judge James C. Mahan to six months in federal prison for Tax Evasion. D’Errico was also sentenced to six months home confinement, three years of supervised release and ordered to pay restitution of \$158,076 to the Internal Revenue Service (IRS) announced Shea Jones Acting Special Agent In Charge of IRS, Criminal Investigation.

D’Errico pleaded guilty to tax evasion on November 18, 2013 admitting that he did not report additional cash income of \$453,322 for the years 2006, 2007 and 2008.

According to the plea agreement, D’Errico owned Sunset Collision Center in Henderson, Nevada. In 2009, he began listing the business for sale on small business listing sites and with small business brokers. D’Errico stated in his listings that, “Seller states that his discretionary take-home cash is \$150,000 per year and has receipts to prove it.” When contacted by a potential buyer, D’Errico reiterated, “seller’s discretionary cash take home beyond stated net income is approx. \$150,000 avg. per year and is verifiable with receipts.”

During a meeting with a potential buyer, D’Errico stated that he stopped accepting checks and was taking cash deductibles from customers, as well as selling excess inventory for cash. D’Errico also stated that he kept journals of the cash generated “off the books,” retrieved them from home, and showed how the journals and notations on client files corresponded to potential tax-free cash income to the potential buyer.

Pursuant to a search warrant executed on D’Errico’s home and business, agents recovered journals and financial statements documenting cash D’Errico received from the business. The cash D’Errico received was not reported on his official financial statements and submitted to his accountant for the preparation of his taxes.

"Prosecuting individuals who intentionally conceal income to evade taxes is a vital element in maintaining public confidence in our tax system," said Acting Special Agent in Charge Shea Jones. "Today's sentence should send a clear message; schemes to evade the payment of taxes are a violation of the Federal Tax laws that can and will result in jail time."

This case was prosecuted by the United States Attorney’s Office in Las Vegas with the assistance of IRS-Criminal Investigation.

