



# PRESS RELEASE

Internal Revenue Service - Criminal Investigation  
Newark Field Office  
*Special Agent in Charge Shantelle P. Kitchen*

Date: January 14, 2014

Contact: Special Agent Robert Glantz  
Public Information Officer  
IRS – Criminal Investigation  
4 Paragon Way, Suite 2  
Freehold, New Jersey 07728  
Office: (732) 761-3381  
Cellular: (973) 296-9225  
robert.glantz@ci.irs.gov  
CI Release #: NEWFO-2014-01

## **BUSINESS OWNER ADMITS FAILING TO REPORT OVER \$280,000 OF INCOME**

**Newark, N.J.** – A 50% owner of White Eagle, Inc., d/b/a White Eagle Woodworking, Inc., pleaded guilty today to income tax evasion.

Robert Policht, 49, a resident of Allendale, N.J., entered his guilty plea in federal court before Judge William H. Walls. Policht pleaded guilty to a one count information that charges him with personal income tax evasion for the 2007 calendar year. Sentencing is scheduled for April 22.

“The license to run a business is not a license to use your business as a personal piggy bank and avoid paying taxes,” stated Shantelle P. Kitchen, Special Agent in Charge, IRS Criminal Investigation, Newark Field Office. “Those Americans who file accurate, honest and timely returns can be assured that the government will hold accountable those who don't.”

At his plea hearing and according to court documents:

Policht was president and a fifty-percent (50%) owner of White Eagle, Inc. (hereinafter White Eagle), a wood trim business specializing in architectural woodworking, doorframes, crown molding and custom cabinetry in homes. White Eagle maintained an American Express Black credit card and Policht was one of the cardholders.

In 2007, Policht used the American Express Black card to make numerous purchases that were personal in nature from retailers such as Nordstrom, Neiman Marcus, Salvatore Ferragamo Central, Christian Dior and Louis Vuitton. These purchases

totaled more than \$150,000. On his 2007 U.S. Individual Income Tax Return (IRS Form 1040), Policht stated his taxable income was approximately \$47,722. Policht was required to report as income the over \$150,000 in personal expenses he charged on the American Express Black card. This additional income resulted in a tax loss to the government of approximately \$27,079.

In addition, in 2008, Policht used the business American Express Black card to make numerous purchases that were personal in nature from retailers such as Nordstrom, Salvatore Ferragamo, Neiman Marcus, Prada and Saks Fifth Avenue. These purchases totaled more than \$130,000. On his 2008 U.S. Individual Income Tax Return, Policht stated his taxable income was approximately \$91,352. Policht was required to report as income the over \$130,000 in personal expenses he charged on the American Express Black card. This additional income resulted in a tax loss to the government of approximately \$23,460.

The charge of income tax evasion carries a statutory maximum prison sentence of five years and a statutory maximum fine equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense.

The investigation was conducted by IRS-Criminal Investigation, Newark Field Office, under the direction of Special Agent in Charge Shantelle P. Kitchen and the U.S. Attorney's Office, under the direction of U.S. Attorney Paul J. Fishman.

The government is represented by Assistant U.S. Attorney Jane Yoon.

####

Defense counsel: Richard Sapinski, Esq.