



PRESS RELEASE

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Date: Oct. 29, 2015

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IRS – Criminal Investigation

CI Release #: CI-2015-10-29-B

Michigan Ferrari Mechanic Sentenced to Prison for Tax Fraud

A Smith's Creek, Michigan resident, who specialized in repairing classic and rare cars was sentenced today to two years in prison, followed by two years of supervised release, for tax evasion and failure to file income tax returns, announced Acting Assistant Attorney General Caroline D. Ciraolo of the Justice Department's Tax Division.

On April 29, Terry Myr, 71, was convicted by a jury on one count of attempted tax evasion and four counts of failure to file tax returns. According to the evidence presented at trial and court documents, the Internal Revenue Service (IRS) assessed Myr approximately \$195,000 in taxes, interest and penalties for his failure to report all of his income for the tax years 2000 through 2003. In 2009, when his tax liabilities remained unpaid, Myr sold a rare Ferrari engine for \$610,000. To prevent the IRS from collecting the taxes he owed, Myr transferred property that he owned to a third party, used nominee companies to conceal his income and assets and otherwise dealt in cash. Myr used some of the Ferrari engine proceeds to purchase more than \$360,000 in gold and silver coins. Myr also attempted to evade the payment of his taxes by asking his customers to pay him in cash, money orders, or prepaid debit cards. The evidence also showed that although Myr was required to file individual income tax returns, he had not filed a tax return or paid federal income taxes since 2001. The government estimated that Myr's actions caused a total tax loss of \$738,904.

U.S. District Court Judge Nancy G. Edmunds in the Eastern District of Michigan also ordered Myr to pay his back taxes, penalties and interest.

Acting Assistant Attorney General Ciraolo commended the special agents of IRS-Criminal Investigation who investigated the case, and Trial Attorneys Tiwana Wright and Kenneth C. Vert of the Tax Division, who are prosecuting the case.

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