



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Acting Special Agent in Charge Troy N. Stemen*

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LEWIS CENTER MAN SENTENCED IN INCOME TAX EVASION CASE

COLUMBUS, OHIO – Kurt S. Kovaleski, 44, of Lewis Center, Ohio was sentenced to six months in prison, three years of supervised release, of which six months will be served in home confinement, and was ordered to pay \$97,928 in restitution to the Internal Revenue Service (IRS) for committing income tax evasion. Kovaleski previously pleaded guilty to the aforementioned charge on August 7, 2015.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Troy N. Stemen, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office, announced the sentence handed down by U.S. District Judge Algenon L. Marbley.

According to court documents, between 2008 and 2011 Kovaleski was the sole owner and operator of Tahoe Net Enterprises LLC. Tahoe Net Enterprises LLC functioned as an “affiliate” or recruiter for online gambling establishments. In return for directing players to their website, online casinos paid a “rake” or commission fee to Tahoe Net Enterprises LLC. The “rakes” were collected by a third party operating in Europe and wire transferred to a bank account owned by Tahoe Net Enterprises LLC. Between 2008 and 2011, Tahoe Net Enterprises LLC generated approximately \$411,197 in total gross receipts.

Kovaleski failed to file a federal income tax return for the 2008-2011 income tax years. In an attempt to evade his income tax obligation, Kovaleski purchased assets through nominees, operated what the U.S. Attorney believes to be an illegal business, and maintained a cash lifestyle.

In total, Kovaleski attempted to evade and defeat approximately \$97,928 in income taxes due and owing for the 2008-2011 income tax years.

"Honest and law abiding citizens are fed up with the likes of those who use deceit and fraud to line their pockets with other people's money as well as skirt their tax obligations," said Troy N. Stemen, Acting Special Agent in Charges, IRS Criminal Investigation, Cincinnati Field Office.

This case was prosecuted by Assistant United States Attorney Daniel A. Brown and was investigated by special agents of IRS-Criminal Investigation.

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