



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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Louisiana Criminal Defense Attorney Pleads Guilty to Tax Evasion *Evaded Payment of Approximately \$1 Million in Income and Employment Taxes*

A Louisiana criminal defense attorney pleaded guilty today to tax evasion, announced Principal Deputy Assistant Attorney General Caroline D. Ciralo, head of the Justice Department's Tax Division.

Michael Thiel, 66, a resident of Baton Rouge, Louisiana, pleaded guilty to one count of evading the payment of federal income and employment taxes for 2003 through 2013. According to documents filed with the court, Thiel operated a criminal defense law practice in Hammond, Louisiana. Despite earning substantial income through his law practice, Thiel did not timely file income tax or employment tax returns, and did not timely pay tax due and owing to the United States. Thiel agreed that as of April 30, he owed federal income tax, penalties and interest totaling \$736,527, and employment tax, penalties and interest totaling \$261,725.

In January 2007, in an effort to conceal the ownership of his property and evade the payment of his tax liabilities, Thiel used nominees and the trusts he beneficially owned to purchase his principal residence for \$435,000. The nominees obtained a mortgage on the principal residence, and used a nominee bank account beneficially funded by Thiel to make the payments. Thiel entered into a lease agreement with the nominees to falsely characterize the monthly mortgage payments as rent. In addition, between January 2007 and January 2014, Thiel deposited \$416,283.56 into the nominee bank account with funds from the trusts and other accounts not held in his name.

"Michael Thiel, an attorney, ignored his federal tax obligations and willfully evaded payment of nearly a million dollars in income and employment tax through the use of nominee trusts and accounts," said Principal Deputy Assistant Attorney General Ciralo. "With today's guilty plea, Thiel is held to account for his criminal conduct, and the Department, working with its colleagues within the IRS, sends a clear message that no one is above the law."

"Today's guilty plea represents a win for the U.S. taxpayers," said Special Agent in Charge Jerome R. McDuffie of IRS – Criminal Investigation, New Orleans Field Office. "As a member of the legal profession, Michael Thiel knew his requirement to pay both his personal income and employment taxes, but chose to use alter-ego nominee trusts and bank accounts to violate the laws. IRS – Criminal Investigation will continue to work diligently to ensure that individuals such as Mr. Thiel are held accountable for their wrongdoings, as well as pay their fair share in compliance with our nation's tax laws."

Sentencing is scheduled for March 22, 2017. Pursuant to the plea agreement, Thiel faces a maximum sentence of 37 months in prison, as well as a period of supervised release and monetary penalties.

Principal Deputy Assistant Attorney General Ciralo commended special agents of IRS-CI, who conducted the investigation, and Assistant Chief Todd A. Ellinwood and Trial Attorney Michael Hatzimichalis, who are prosecuting the case.

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