



Former Defense Contractor Executive Pleads Guilty to Tax Evasion

Defendant Did Not Report More Than \$1.8 Million in Income

February 17, 2022

WASHINGTON – The Joint Chiefs of Global Tax Enforcement (J5) welcomed today the guilty plea of an employee of a defense contractor in the U.S. District Court for the District of Columbia to tax evasion.

According to court documents, Charles D. Squires was the director of operations for a U.S. Department of Defense contracting company, eventually serving as its chief executive officer for part of the year in 2015. From 2010 through 2019, Squires did not report on his individual income tax returns all of the compensation he earned from the defense contracting firm. In total, Squires did not report to the IRS more than \$1.8 million in compensation he earned during this period, causing a tax loss to the government of approximately \$666,080.

Squires is scheduled to be sentenced at a later date and faces a maximum penalty of five years in prison. He also faces a period of supervised release, restitution, and monetary penalties.

IRS-Criminal Investigation (IRS-CI) and the Special Inspector General for Afghanistan Reconstruction are conducting the investigation. Assistance was provided by the Joint Chiefs of Global Tax Enforcement (J5), which brings together tax authorities of Australia, Canada, Netherlands, United Kingdom and the United States.

“This guilty plea today is a significant feather in the cap of the J5,” said IRS-CI Chief Jim Lee. “Support in one manner or another was provided by our J5 partners, making this a truly international investigation. I look forward to more successes from this collaboration and thank our J5 partners for their assistance. Criminals should be worried – this case is an example of what can happen when we all work together.”

Australia’s J5 Chief and Deputy Commissioner of the Australian Taxation Office Will Day said the plea showed the enormous capability of the J5 to bring alleged financial criminals to account. “The J5 shares information, resources and capabilities to put a stop to financial criminals. Today’s plea proves that this collaboration is having a significant effect, through targeted information exchange,” said Mr. Day. “Australia is proud to have supported this US-led J5 operation through targeted information exchange and associated support. Data sharing across borders is helping to bring financial criminals to justice.”

The J5 leads the fight against international tax crime and money laundering, including cryptocurrency threats and those who undertake, enable or facilitate global tax evasion. They work together to gather information, share intelligence and conduct coordinated operations against

transnational financial crimes. The J5 includes the Australian Taxation Office, the Canadian Revenue Agency, the Dutch Fiscal Information and Investigation Service, Her Majesty's Revenue and Customs from the U.K. and IRS-CI from the U.S. The J5 was formed in 2018 after a call to arms from the OECD Taskforce on Tax Crime.

For more information about the J5, please visit www.irs.gov/j5.

