



**September 10, 2004**

## **East Greenwich man pleads guilty to tax fraud**

**Bernard Carbone**, 52, of East Greenwich, pleaded guilty today in federal court to filing false personal income tax returns.

United States Attorney Robert Clark Corrente and Joseph A. Galasso, Special Agent in Charge of the Internal Revenue Service, Criminal Investigations, announced the guilty plea, which Carbone entered before U.S. District Court Judge William E. Smith in U.S. District Court, Providence. Carbone, of 90 Ann Drive, is free on unsecured bond, pending sentencing, which Judge Smith scheduled for November 19.

At the plea hearing, Timothy D. Belevetz, a trial attorney with the Department of Justice Tax Division, said that, had the case gone to trial, the government would have proven that Carbone filed false personal income tax returns for 1996 and 1997, understating the gross receipts of his plumbing business. Carbone, who operates B. Carbone & Sons, admitted that he filed a 1996 income tax return that failed to report \$383,005 or approximately 74% of his gross receipts for that year. He also admitted filing a 1997 income tax return that failed to report \$459,729, or about 81% of his gross receipts for that year.

Carbone pleaded guilty to two counts of filing a false income tax return. The statutory maximum penalty for each count is three years in federal prison and a \$100,000 fine. He will also be subject to payment of overdue taxes, plus interest and penalties.

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The **Internal Revenue Service, Criminal Investigations Division** investigated the case. Mr. Belevetz and John P. McAdams, also a trial attorney with the Tax Division, are prosecuting it.

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