



**U.S. Department of Justice**

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**For Immediate Release**

**PLAZA EXTRA ACCOUNTANT PLEADS GUILTY IN  
SCHEME TO DEFRAUD THE VIRGIN ISLANDS OF TAX REVENUE**

David Marshall Nissman, United States Attorney for the District of the Virgin Islands announced today that John Benson Irvin, IV, a former resident of the Virgin Islands, pleaded guilty today to a two count criminal information charging him with mail fraud in violation of Title 18, United States Code, Section 1341 and 2, which carries a statutory penalty of not more than five (5) years imprisonment and a fine of not more than \$250,000.00 and aiding and abetting in the filing of a false individual income tax return in violation of Title 26, United States Code, Section 7206(2) which carries a statutory penalty of not more than three (3) years imprisonment and a fine of not more than \$100,000.00.

According to the criminal information and plea agreement filed in federal district court on St. Thomas, Irvin was employed as the controller of Plaza Extra. As Plaza Extra's accountant, Irvin maintained the corporate books and records and was responsible for filing gross receipts tax returns with the Virgin Islands Bureau of Internal Revenue and providing financial information to an outside accountant for Plaza Extra's

corporate income tax returns. During Irvin's tenure, substantial sales receipts were not deposited into Plaza Extra's bank accounts. At the direction of Plaza Extra's management, Irvin did not report the undeposited sales on the gross receipts tax returns filed with the Bureau of Internal Revenue and provided the false sales information to Plaza Extra's outside accountant for use in the preparation of Plaza Extra's corporate income tax returns. Because Plaza Extra's income flowed through to the owners' individual income tax returns, the income on owner Fathi Yusuf's 2000 income tax return was substantially understated. According to the plea agreement, the tax loss to the Virgin Islands was more than \$10 million.

The case was prosecuted by the U.S. Attorney's Office for the District of the Virgin Islands and the Department of Justice's Tax and Criminal Division. It was investigated by the Federal Bureau of Investigation and the Internal Revenue Service.