



March 28, 2008

**VANCOUVER MAN PLEADS GUILTY TO LYING TO IRS
AGENT**
**Defendant Failed to Disclose Timeshare and Bank
Account**

STUART D. McMULLEN, 56, of Vancouver, Washington, pleaded guilty today in U.S. District Court in Tacoma, to making a False Statement to the IRS Under Penalties of Perjury. When sentenced by U.S. District Judge Benjamin Settle on June 26, 2008, McMULLEN faces up to three years in prison and a \$250,000 fine. Both the prosecution and the defense have agreed that at sentencing they will recommend a term of four months of home detention and five years of probation.

According to the plea agreement filed in the case, between 1989 and 1998, McMULLEN and a business partner operated a construction business, Pacific NW Housing Inc. That company filed for bankruptcy and McMULLEN started doing business as Pacific NW Construction, Siding, and Decking. For the years 1994, 1995, 1996, 1998 and 1999, McMULLEN accrued \$122,634 in unpaid taxes. In 2000, an IRS Revenue Officer began working with McMULLEN to collect the taxes. On May 10, 2003, McMULLEN submitted two forms to the Revenue Officer signing them "under penalty of perjury." On the form McMULLEN did not disclose any interest in a timeshare, when in fact he and a girlfriend had purchased a timeshare from Worldmark/Trendwest for \$10,000. On December 2, 2003, McMULLEN and the girlfriend entered into a separation agreement and McMULLEN was awarded the timeshare. Further, McMULLEN failed to disclose a bank account associated with one of the construction businesses. On the day before McMULLEN provided and signed the form for the IRS, the account held \$1,100. On that same day, McMULLEN wrote numerous checks on the account, while failing to tell the IRS about the account.

For purposes of the plea agreement, the tax loss is estimated at \$11,100. The plea agreement does not preclude the Internal Revenue Service from assessing any civil tax, penalties, and/or interest that may be determined to be owed by McMULLEN.

The case is being investigated by the Internal Revenue Service Criminal Investigation (IRS-CI) and is being prosecuted by Assistant United States Attorney Arlen Storm.

For additional information please contact Emily Langlie, Public Affairs Officer for the United States Attorney's Office, at (206) 553-4110.

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