



Department of Justice

United States Attorney James R. Dedrick
Eastern District of Tennessee

FOR IMMEDIATE RELEASE

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THREE SENTENCED IN TAX FRAUD CASE

[Chattanooga, TN]– Jack Allen Nash, 58, of Apison, Tennessee; Dr. Joseph Simmons Bird, Jr., 46, of Chattanooga, Tennessee; and, Dr. Barry Donesky, 47 of McDonald, Tennessee, were all sentenced today in United States District Court in Chattanooga, by the Honorable Curtis L. Collier, United States District Judge.

Nash was sentenced to serve 24 months in prison, 3 years of supervised release, and ordered to pay restitution of \$121,341 to the IRS. This sentence was the result of a guilty plea by Nash to one count of conspiracy to defraud the Internal Revenue Service (IRS), which is a felony. Nash admitted that between October 2001 and August 2003, he devised a scheme in which he agreed with another individual to encourage and assist others in evading taxes. He opened a bank account which he used to hide his own income and the income of others from the IRS and advised various individuals to form “Corporation Soles” with the specific purpose to evade income taxes. He also encouraged others to not file income taxes.

Dr. Bird was sentenced to three years probation, 550 hours of community service, to perform five pro bono fertility treatments, and ordered to pay restitution of \$371,069 to the IRS. The sentences was a result of a guilty plea by Dr. Bird in January to two counts of failure to file income tax returns for 2001 and 2002. Dr. Bird admitted that he earned approximately \$373,935 in 2001 and approximately \$384,873 in 2002 and that he willfully failed to file his tax returns for 1999 through 2004.

Dr. Donesky was sentenced to three years probation, 550 hours of community service, to perform five pro bono fertility treatments, and ordered to pay restitution of \$383,330 to the IRS. This sentence was the result of a guilty plea by Dr. Donesky to two counts of failure to file income tax returns for 2002 and 2003, both misdemeanor offenses. Dr. Donesky admitted that he did not file tax returns for 1999 through 2004

even though he earned substantial income during that period of time. Dr. Donesky also admitted that the tax loss to the government for this period of time was approximately \$383,330.

With respect to both doctors, the court emphasized that most defendants convicted of tax crimes will go to jail. However, in this particular situation, the court was concerned that these two doctors were the only local specialists in their field and that their patients would suffer from their wrongdoing. Under these circumstances, the court determined that community service would be in the best interests of the public.

This investigation was conducted by IRS Criminal Investigation. Assistant U.S. Attorney Gary S. Humble represented the government.

For additional information, please contact United States Attorney James R. "Russ" Dedrick at 865-545-4167; Assistant U.S. Attorney Gary S. Humble at 423-752-5140; or, Public Information Officer Sharry Dedman-Beard at 865-545-4167.