



*United States Attorney  
District of New Jersey*

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**OWNER OF ACCOUNTING FIRM PLEADS GUILTY TO FAILING  
TO PAY MONEY WITHHELD FROM EMPLOYEES TO THE IRS**

NEWARK, N.J. – The majority owner of an accounting firm in Montvale, N.J., pleaded guilty today to failing to pay the IRS taxes that the firm withheld from its employees' wages, U.S. Attorney Paul J. Fishman announced.

Barry S. Malkin, 69, pleaded guilty before U.S. Magistrate Judge Patty Shwartz to a criminal Information charging him with failing to truthfully account for and pay over taxes withheld by his accounting firm, Malkin, Coppock & Company ("MCC"). Judge Shwartz continued Malkin's release on a \$100,000 bond pending sentencing, which is scheduled for January 25, 2011.

According to the Information to which Malkin pleaded guilty and statements made in court:

In addition to being the majority owner of MCC, Malkin was a Certified Public Accountant who provided tax accounting services to the firm's clients, including the preparation of individual and corporate tax returns. Malkin was responsible for withholding federal income and FICA taxes from the wages of the employees of MCC and paying those taxes over to the IRS. Malkin admitted that though the taxes were withheld, from 2001 through 2008, Malkin did not file any payroll tax returns or pay any of the withheld taxes over to the IRS, failing to pay over \$137,000 in payroll taxes.

The count to which Malkin pleaded guilty carries a maximum potential penalty of five years in prison and a maximum fine of \$250,000.

U.S. Attorney Fishman credited special agents of IRS – Criminal Investigation, under the direction of Special Agent in Charge Victor W. Lessoff, with the investigation that resulted in today's plea.

The case is being prosecuted by Assistant U.S. Attorney Christopher J. Kelly of the U.S. Attorney's Office Criminal Division in Newark.

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Defense counsel: Candace Horn, Esq., Assistant Federal Public Defender, Newark, N.J.