



Department of Justice

United States Attorney Carter M. Stewart
Southern District of Ohio

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CONTACT: Fred Alverson
614-469-5715

**CONSTRUCTION COMPANY OWNER ARRESTED IN MIAMI, FLORIDA ON
CHARGES THAT HE COMMITTED \$12 MILLION FRAUD AGAINST LENDERS,
BANKRUPTCY COURT, IRS**

COLUMBUS – A federal grand jury has charged Robert Jeffrey Johnson, 44, of Columbus, in a 12-count indictment alleging that he defrauded financial institutions, bankruptcy court, and the Internal Revenue Service out of millions of dollars by filing false documents in his construction company's bankruptcy case and spending borrowed money and money withheld from employees' paychecks to pay taxes on his personal expenses instead.

IRS agents arrested Johnson near his residence in Miami Beach, Florida on August 30. He will return to Columbus for an arraignment on the indictment at a date to be determined.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Jose A. Gonzalez, Special Agent in Charge, Internal Revenue Service, Criminal Investigation (IRS), and Daniel M. McDermott, U.S. Trustee for Region 9, announced the indictment returned August 24 and unsealed following Johnson's arrest.

The indictment includes one count each of bank fraud, bankruptcy fraud, criminal contempt, and destruction or falsification of records in federal investigations and bankruptcy. The indictment also contains two counts of money laundering and five counts of willful failure to collect or pay over tax. The indictment seeks forfeiture of assets worth \$12 million, representing the proceeds of the alleged crimes.

The indictment alleges that Johnson, president of Smith and Johnson Construction Company, borrowed \$20 million from lenders in 2004 and 2005 to fund company operations, but instead used the money for personal expenses including the purchase of vehicles and a condo in Miami, Florida.

The indictment alleges that Johnson filed false documents as part of the company's bankruptcy filing in 2006, hid assets from the bankruptcy trustee and failed to turn over all financial records to the bankruptcy trustee.

Johnson allegedly defrauded the IRS in the amount of \$1,334,052.27 in 2005 and 2006 by withholding funds from employees' paychecks for taxes and failing to pay the funds to the IRS.

Bank fraud is punishable by up to 30 years imprisonment. Destruction of records is punishable by up to 20 years imprisonment. Criminal contempt is punishable by ten years imprisonment. Each money laundering count carries a potential penalty of up to ten years imprisonment. Each of the other crimes is punishable by up to five years imprisonment.

Stewart commended the cooperative investigation conducted by IRS agents. Stewart also commended Assistant U.S. Attorney David Bosley and Special Assistant U.S. Attorney Dean P. Wyman with the U.S. Trustees Office, who are prosecuting the case.

An indictment is merely an accusation. A defendant should be presumed innocent unless and until proven guilty in court.

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