



FOR IMMEDIATE RELEASE
Friday, February 19, 2010

*Office of the United States Attorney
District of Arizona*

Public Affairs
WYN HORNBUCKLE
Telephone: (602) 514-7573
Cell: (602) 740-2422

FORMER TUCSON DEFENSE CONTRACTOR INDICTED FOR CLAIMING FRAUDULENT INCOME TAX REFUNDS

TUCSON, Ariz. – Michael T. McQuillen, 49, of Saginaw, Texas and formerly of Tucson, Arizona, was arrested this week in Fort Worth, Texas by IRS Special Agents without incident on federal charges that he filed fraudulent tax returns in excess of \$575,000.

The indictment by a Tucson grand jury alleges McQuillen, who has been primarily employed with various contractors for the United States Department of Defense, filed eight U.S. Individual Income Tax Returns claiming tax refunds in excess of \$575,000. It alleges McQuillen attached Forms 1099-OID (Official Issue of Discount) to seven of these returns which falsely claimed withholding of federal individual income taxes approximately equal to the amount of earned income. The indictment alleges McQuillen received actual refunds from two of the fraudulent tax returns totaling \$155, 986.

On February 17, 2010, McQuillen had his initial appearance before U.S. Magistrate Judge Charles Bleil, in the Northern District of Texas. McQuillen was released on bond, and his next appearance will be March 4, 2010, in U.S. District Court in Tucson.

A conviction on each of the two counts of Presentation of False Claims to the IRS carries a maximum penalty of five years in prison, a \$250,000 fine or both. In determining an actual sentence, the judge will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence. A conviction Penalties on each count of up to five years prison and \$250,000 fine.

The investigation preceding the indictment was conducted by the Criminal Investigation Division of the Internal Revenue Service. The prosecution was handled by Mary Sue Feldmeier and Danny Roetzel, Assistant U.S. Attorneys, District of Arizona, Tucson.

CASE NUMBER: CR10-0240-PUC-CKJ
RELEASE NUMBER: 2010-025(McQuillen)

###

For more information on the U.S. Attorney's Office, District of Arizona, visit <http://www.usdoj.gov/usao/az/>