

FILED

UNITED STATES DISTRICT COURT
ALBUQUERQUE, NEW MEXICO

IN THE UNITED STATES DISTRICT COURT

DEC 15 2010

(Handwritten initials)

FOR THE DISTRICT OF NEW MEXICO

MATTHEW J. DYKMAN
CLERK

UNITED STATES OF AMERICA,)
)
)
Plaintiff,)
)
vs.)
)
JOSEPH C. KUPFER and)
ELIZABETH D. KUPFER)
a/k/a DAISY E. KUPFER,)
)
Defendants.)

CRIMINAL NO. 10cr 3383
Counts 1-3: 26 U.S.C. § 7201 and
18 U.S.C. § 2:
Income Tax Evasion and
Aiding and Abetting.

INDICTMENT

The Grand Jury charges:

Introduction and Background

1. The defendants, **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER**, are married and resided in Sandoval County, in the District of New Mexico, during calendar years 2004 through 2006.

2. For the years 2004 through 2006, defendant **JOSEPH C. KUPFER** received income under his social security number as the sole proprietor for Kupfer Consulting.

3. The defendants, **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER**, reported income to Kupfer Consulting on their joint personal tax returns as a Schedule C entity.

4. The defendants, **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER**, through Kupfer Consulting, generated significant revenues during 2004 through 2006 of

approximately \$1,304,421, of which they reported on their tax returns approximately \$502,541.

5. The Internal Revenue Service ("IRS") is an agency within the United States Department of Treasury responsible for the assessment and collection of federal income taxes from individuals, businesses, and other tax-paying entities.

6. For the years 2004 through 2006, the defendants, **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER**, took steps to conceal from the IRS a significant amount of the taxable revenues generated by Kupfer Consulting, including the following:

- (A) **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER** failed to file in 2005 and 2006, respectively, a timely Form 1040, U.S. Individual Income Tax Return, for calendar years 2004 and 2005;
- (B) **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER** knowingly provided incomplete information to their tax preparer by not disclosing to him substantial portions of their income for 2004, 2005, and 2006, thereby knowingly causing him to prepare for them deficient and incomplete tax returns for 2004, 2005, and 2006;
- (C) **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER** filed a Form 1040, U.S. Individual Income Tax Return, for each calendar year, 2004, 2005, and 2006, omitting from these returns a total of at least \$768,333 in income that had been paid to Kupfer Consulting during calendar years 2004, 2005, and 2006.

Counts 1-3

Paragraphs 1 through 6 of the Introduction, above, are hereby incorporated by reference as if fully set forth herein.

7. Knowing and cognizant of the foregoing facts and the legal duty deriving therefrom, on or about the dates stated below, the defendants, **JOSEPH C. KUPFER** and **ELIZABETH D. KUPFER**, did willfully and intentionally attempt to evade and defeat a large part of the income tax due and owing by them to the United States for the tax years 2004-2006, including the amounts set forth below, by, among other things, preparing and causing to be prepared, and by signing and causing to be signed, false and fraudulent U.S. Individual Income Tax Returns, Form 1040s, which were filed with the IRS, and in each false income tax return, stating their taxable income when, in fact, as the defendants then and there knew, they were omitting a substantial part of their taxable income, resulting in additional tax due and owing to the United States of at least the total approximate amount of \$286,175:

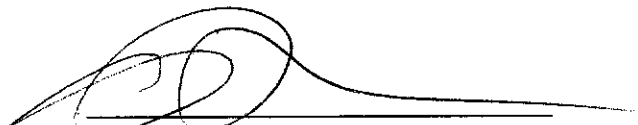
<u>Count</u>	<u>Tax Year</u>	<u>Date Return Filed</u>	<u>"Taxable Income" Stated on Return</u>	<u>Income Omitted From Return</u>	<u>"Total Tax Amount" Stated on Return</u>	<u>Taxes Due and Owing - Omitted From Return</u>
1	2004	5/15/07	\$125,969	\$140,000	\$38,578	\$51,054
2	2005	5/15/07	\$170,625	\$170,000	\$52,402	\$64,651
3	2006	10/15/07	\$125,734	\$458,333	\$39,861	\$170,470
					TOTAL =	\$286,175

In violation of 26 U.S.C. § 7201 and 18 U.S.C. § 2.

A TRUE BILL:

/s/

FOREPERSON OF THE GRAND JURY



Assistant United States Attorney

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