



# Department of Justice

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District of Oregon

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## **COTTAGE GROVE MAN PLEADS GUILTY TO \$879,000 TAX FRAUD**

*Defendant filed more than 70 false federal excise tax returns on behalf of his business, Side Pocket Food Company, and owes more than \$879,000 in federal excise taxes*

EUGENE, Ore. – Today, William Myers, 66, of Cottage Grove, Oregon, pled guilty to filing 70 false federal excise tax returns on behalf of his company, the Side Pocket Food Company. Pursuant to a plea agreement, defendant admitted that he filed the 70 false excise tax returns and owes more than \$879,000 in federal excise taxes.

According to court records, the Side Pocket Food Company is a distilled spirits plant, primarily in the business of blending and bottling distilled spirits, in Cottage Grove, Oregon. It purchases bulk alcohol and bulk distilled spirits from manufacturers or bulk distillers, and the Alcohol and Tobacco Tax and Trade Bureau (TTB) issued the company an operating permit to operate as a rectifier (processor), warehouseman, and bottler. As a licensed distilled spirits plant, the company was required to file federal excise tax returns with the TTB and to pay federal excise taxes to the TTB.

Pursuant to the plea agreement, Meyers admitted that he, between October 1, 2008, and August 31, 2011, filed more than 70 federal excise tax returns on behalf of the company, falsely claiming that no federal excise taxes were owed. In fact, the company owed more than \$879,000 in federal excise taxes.

Despite collecting federal excise taxes from the company's clients, Meyers failed to pay the federal excises taxes to the TTB. Instead, Meyers and others used this money to pay for personal expenses, including car, house, and credit card payments, and business expenses.

Sentencing is set for January 29, 2013, at 9 a.m. before U.S. District Chief Judge Ann Aiken. The maximum penalty for filing false federal excise tax returns is five years in prison and a \$10,000 fine.

This case was investigated by the Alcohol and Tobacco Tax and Trade Bureau and is being prosecuted by Assistant U.S. Attorney Scott E. Bradford.

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