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**DA BROWN: QUEENS USED CAR DEALER CHARGED**  
**WITH \$222,000 SALES TAX THEFT**  
*Faces Up To 15 Years In Prison*

Queens District Attorney Richard A. Brown, joined by Acting New York State Commissioner of Taxation and Finance Barbara G. Billet, today announced that a Flushing resident has been charged with a \$222,000 state sales tax theft in connection with his operation of a Jamaica, Queens, used car dealership. The dealership allegedly annually sold between 50 and 100 used motor vehicles that ranged in prices from \$10,000 to \$30,000 per vehicle.

District Attorney Brown said, "When consumers pay sales taxes they expect those funds to go into the public treasury – not into the business owner's pockets. By purposefully defrauding New York government of such a significant sum of revenue, money that could have been used for any number of valuable public purposes, the defendant is alleged to have made every New Yorker a victim. Criminal activity that cheats the government and the public will not be tolerated and will be vigorously prosecuted."

Commissioner Billet said, "I applaud District Attorney Brown for his vigorous prosecution of this case and for his commitment to tax enforcement. Both state and local governments suffer when taxpayers steal sales tax trust funds and the Department is working with prosecutors across the state to expose and prosecute such cheats. The Department has begun regularly examining sales data filed by car dealers with the Department of Motor Vehicles and comparing that data to the information the dealers report to the Tax Department. When discrepancies are found, in this case more than \$200,000, it often points to illegal activity and forms the basis of enforcement actions which include arrests and criminal prosecution."

District Attorney Brown identified the defendant as Haim Russo (also known as Tony Russo), 39, of 158-11 78<sup>th</sup> Avenue in Flushing, Queens, the owner of Exclusive Auto Sales, Inc., located at 150-01 Hillside Avenue in Jamaica. Russo and Exclusive Auto Sales are being held pending arraignment in Queens Criminal Court Judge on charges of second-degree grand larceny, first-degree offering a false instrument for filing, first-degree scheme to defraud. If convicted, Russo faces up to fifteen years in prison. In the case of a corporation, a felony is punishable by a fine of up to \$10,000 or double the amount of the illegal gain.

According to the criminal complaints filed in the case, between December 1, 2002, and February 28, 2006, the defendant, as a high managerial agent of Exclusive Auto Sales allegedly stole \$222,000 in sales tax that he collected from buyers but did not forward to the State Department of Taxation and Finance. In conducting an audit of the corporation for 2002 through 2006, the State Tax Department concluded that the defendant had collected \$250,000 in sales tax but only reported \$27,872 of it to the State.

The investigation was conducted by New York State Department of Taxation and Finance Tax Auditor Elaine Sullivan, under the supervision of Supervising Auditor Nicholas Capkovic and Chief Auditor Tommy Chan, under the supervision of Deputy Commissioner William J. Comiskey and the overall supervision of Acting Commissioner of Taxation and Finance Barbara G. Billet. Assisting in the investigation was Detective Joseph Brancaccio of the Queens District Attorney's Detective Bureau under the supervision of Lieutenant Robert J. Burke and the overall supervision of Lawrence J. Festa, Chief, and Albert D. Velardi, Deputy Chief.

Assistant District Attorney Joseph G. D'Arrigo of the District Attorney's Economic Crimes Bureau is prosecuting the case under the supervision of Assistant District Attorneys Gregory C. Pavlides, Bureau Chief, and Christina Hanophy, Deputy Bureau Chief, and the overall supervision of Executive Assistant District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney for Investigations Linda M. Cantoni.

It should be noted that a criminal complaint is merely an accusation and that a defendant is presumed innocent until proven guilty.

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