



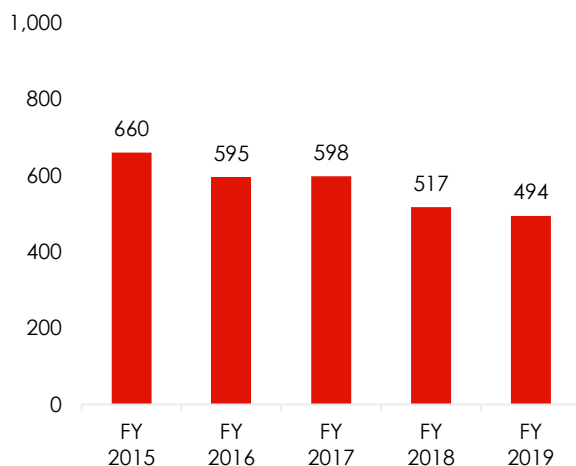
# Quick Facts

— Tax Fraud Offenses —

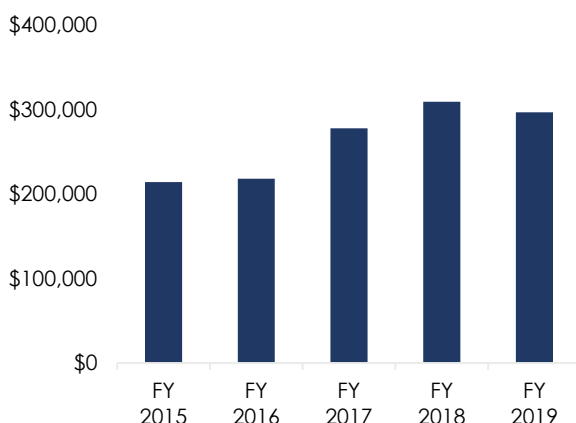
## Fiscal Year 2019

- ▶ IN FY 2019, 76,538 CASES WERE REPORTED TO THE U.S. SENTENCING COMMISSION.
- ▶ 494 INVOLVED TAX FRAUD.<sup>1,2</sup>
- ▶ TAX FRAUD OFFENSES HAVE DECREASED BY 25.2% SINCE FY 2015.

**Number of Tax Fraud Offenders**



**Median Loss for Tax Fraud Offenses**



## Offender and Offense Characteristics

- 68.1% of tax fraud offenders were men.
- 48.2% were White, 32.6% were Black, 13.3% were Hispanic, and 5.9% were Other races.
- Their average age was 50 years.
- 93.1% were United States citizens.
- 80.2% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was \$296,429.
  - ◆ 86.6% involved loss amounts of \$1.5 million or less.<sup>3</sup>
  - ◆ 21.6% involved loss amounts less than \$100,000.
- Sentences were increased for:
  - ◆ Using sophisticated means to execute or conceal the offense (11.5%);
  - ◆ Abusing a position of trust (5.5%);
  - ◆ Leadership or supervisory role in the offense (7.6%); and
  - ◆ Obstructing or impeding the administration of justice (5.3%).
- Sentences were decreased for:
  - ◆ Minor or minimal participation in the offense (4.9%).
- The top five districts for tax fraud offenders were:
  - ◆ Southern District of Florida (23);
  - ◆ District of New Jersey (22);
  - ◆ Southern District of New York (21);
  - ◆ Eastern District of Pennsylvania (19); and
  - ◆ Eastern District of New York (17).

## Punishment

- The average sentence for tax fraud offenders was 16 months.
- 65.0% were sentenced to prison.
- 2.7% were convicted of an offense carrying a mandatory minimum penalty; none were relieved of that penalty.



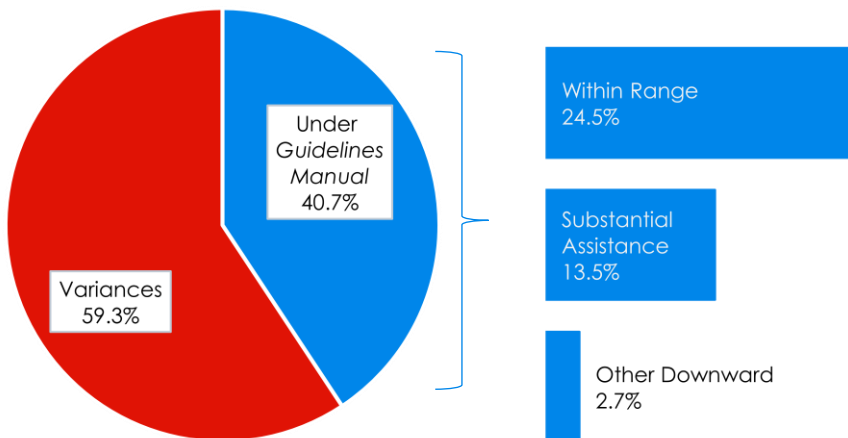
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## — Tax Fraud Offenses —

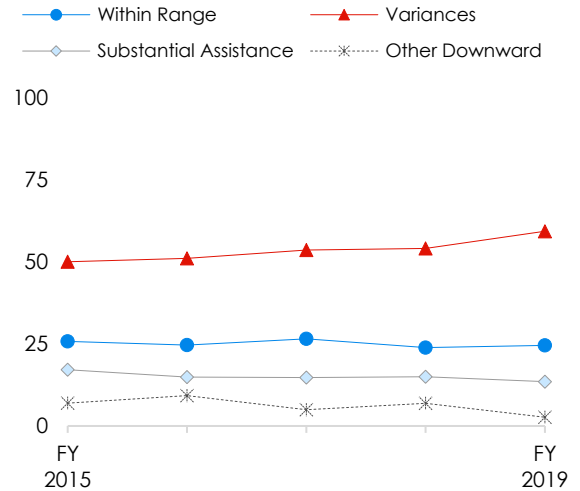
### Sentences Relative to the Guideline Range

- Of the 40.7% of tax fraud offenders who were sentenced under the *Guidelines Manual*:
  - 60.3% were sentenced within the guideline range.
  - 33.2% received a substantial assistance departure.
    - Their average sentence reduction was 69.9%.
  - 6.5% received some other downward departure.
    - Their average sentence reduction was 53.8%.
- 59.3% received a variance; of those offenders:
  - 96.9% received a downward variance.
    - Their average sentence reduction was 61.0%.
  - 3.1% received an upward variance.
    - Their average sentence increase was 41.0%.
- The average guideline minimum and average sentence imposed have remained relatively steady over the past five years.
  - The average guideline minimum was 26 months in fiscal year 2015 and in fiscal year 2019.
  - The average sentence imposed decreased from 17 months in fiscal year 2015 to 16 months in fiscal year 2019.

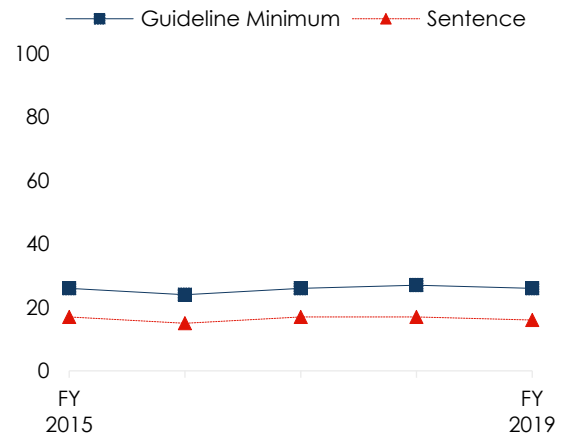
### Sentence Imposed Relative to the Guideline Range FY 2019



### Sentence Relative to the Guideline Range (%)



### Average Guideline Minimum and Average Sentence (months)



1 Cases with incomplete sentencing information were excluded from the analysis.

2 Tax fraud offenses include cases in which the offender was sentenced under §2T1.1 or §2T1.4 (Tax Evasion; Willful Failure to File Return, Supply Information, or Pay Tax; Fraudulent or False Returns, Statements, or Other Documents or Aiding, Assisting, Procuring, Counseling, or Advising Tax Fraud).

3 The Tax Loss Table was amended effective November 1, 2001 and November 1, 2015.