

ILLINOIS ATTORNEY GENERAL LISA MADIGAN

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**ATTORNEY GENERAL MADIGAN, DEPARTMENT OF REVENUE ANNOUNCE
FELONY INDICTMENT, 2-YEAR RESULTS OF GAS TAX FRAUD CRACKDOWN**

Ongoing Operation Recovers \$70 Million in Unpaid Sales Tax to the State

Chicago — Attorney General Lisa Madigan and the Illinois Department of Revenue (DOR) today announced the indictment of a Crestwood gas station owner. The charges come on the heels of the second anniversary of an ongoing criminal enforcement operation that has resulted in criminal charges in 35 cases and more than \$70 million in unpaid sales tax payments collected by the state.

In one of those cases, defendant Sultan Gilani, 61, of Chicago, was formally charged today in Cook County Circuit Court with four counts of sales tax fraud and four counts of mail fraud, each a Class 3 felony punishable by two to five years in the Illinois Department of Corrections.

Madigan alleged that from 2009 to 2011, Gilani defrauded the state of Illinois of more than \$324,000 in sales taxes for gasoline sold at his Crestwood gas station, Synergy Oil Corporation, 13830 S. Pulaski Rd.

“It is unconscionable that gas stations are illegally pocketing taxpayer dollars, particularly at a time when the state faces a fiscal crisis,” Madigan said. “We’ll continue to aggressively prosecute these cases so that dishonest business owners pay their fair share and are held accountable for breaking the law.”

In August 2010, Madigan and the Department of Revenue launched the criminal enforcement operation to recoup millions of dollars in sales tax losses after discovering hundreds of gas stations throughout Illinois underreported their revenues to avoid paying taxes to the state.

“Every successful prosecution in tax fraud cases helps assure Illinois taxpayers that we take seriously our responsibility to impose taxes fairly,” said Brian Hamer, director, Illinois Department of Revenue. “We will continue to work hard to make sure that all businesses pay the taxes they owe and that honest businesses are not placed in a competitive disadvantage.”

The operation has also led to a new law in Illinois to crack down on these criminals. The law, which was an initiative of Madigan’s office and enacted earlier this summer, established stronger penalties and eliminated barriers to prosecute Illinois businesses and retailers that evade their sales tax bills.

The law created the new crime of Sales Tax Evasion and imposed graduated penalties based on the amount of sales taxes that were evaded: For amounts less than \$500, a Class 4 felony punishable by one to three years in prison; for amounts less than \$10,000, a Class 3 felony punishable by two to five years; for amounts less than \$100,000, a Class 2 felony punishable by three to seven years; and for more than \$100,000, a Class 1 felony punishable by six to 30 years.

Assistant Attorney General Christina Chojnacki is handling the case for Madigan's Special Prosecutions Bureau.