



PRESS RELEASE

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MESA SURGEON INDICTED FOR EVADING \$1.2 MILLION IN INCOME TAXES

PHOENIX, ARIZONA --The United States Attorney's office for the District of Arizona announced today that Mesa cardiac surgeon DWIGHT C. LUNDELL, 57, has been charged in a six-count criminal indictment alleging attempted tax evasion for the years 1994, 1995, and 1996. According to the indictment, LUNDELL, who has twice been named as one of the top cardiac surgeons in the Phoenix area by Phoenix Magazine, failed to make individual income tax returns for the 1994-96 years, and failed to report approximately \$3.37 million in community property income he earned during these years. His total unpaid tax liability allegedly amounted to approximately \$1.2 million.

Lundell allegedly evaded his income taxes by:

- using nominee entities to conceal his personal income;
- filing false tax returns for one or more of these entities;
- misrepresenting his ownership interest in these entities;
- declaring to the IRS that he and his wife had earned no income subject to tax;
- using a Cayman Islands bank account;
- dealing extensively in cash;
- directing his accountant to characterize his income from his medical practice as

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management fees; and

- encouraging his accountant not to turn his financial records over to the IRS.

The maximum penalty for attempted tax evasion in violation of Title 26 United States Code, Section 7201, is a fine of not more than \$250,000, or imprisonment of not more than five years, or both.

The United States Attorney's office stressed that an indictment is simply the method by which a person is charged with criminal activity and an individual's guilt is established only upon conviction.

The investigation that led to the indictment was conducted by Special Agents of the Phoenix Field Office of IRS Criminal Investigation. The prosecution is being handled by Assistant United States Attorney Stephen G. Winerip of the U.S. Attorney's Office in Phoenix, District of Arizona.

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