

# Massachusetts painting business owner charged with \$2 Million tax fraud

The owner of a commercial and residential painting business on Nantucket was charged today with an income diversion and payroll tax scheme resulting in a tax loss that exceeded \$2 million.

Durvan C. Lewis, 51, of Nantucket, was charged and has agreed to plead guilty to one count of tax evasion and one count of failure to pay over taxes. A hearing has not yet been scheduled.

Lewis owned and operated a painting business known as DCL Painting. From 2014 through 2017, Lewis allegedly diverted over \$1.5 million of DCL Painting's gross receipts to his personal bank account and failed to report the diverted receipts to his tax preparer. In addition, during the tax quarters ending March 31, 2012 through Sept. 30, 2019, it is alleged that Lewis paid over \$5 million in wages to DCL Painting's employees in cash "under the table." As a result of his conduct, Lewis underreported his personal income tax obligations, as well as failed to report and pay over to the IRS the employment taxes owed on the cash wages. In total, Lewis allegedly caused a loss to the IRS of \$2,084,852.

The charging statutes provide for a sentence on each count of up to five years in prison, three years of supervised release and a fine of \$250,000 or twice the gross gain or loss, whichever is greater. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

United States Attorney Andrew Lelling and Ramsey E. Covington, Acting Special Agent in Charge of the Internal Revenue

Service's Criminal Investigation Boston Field Office made the announcement today. Assistant U.S. Attorney James R. Drabick of Lelling's Securities, Financial & Cyber Fraud Unit is prosecuting the case.