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UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA

**REDACTED FOR  
PUBLIC DISCLOSURE**

United States of America,  
  
Plaintiff,

v.

Sue J. Taylor,  
aka Janice Sue Taylor,

Defendant.

NO. *CR 10-400-PHX-MHM(CELU)*

**INDICTMENT**

VIO: 26 U.S.C. § 7201  
(Evasion of Assessment)  
Counts 1-4

26 U.S.C. § 7203  
(Willful Failure to File Return)  
Counts 5-8

THE GRAND JURY CHARGES:

**INTRODUCTION**

At all times material to this Indictment:

1. Defendant SUE J. TAYLOR, aka JANICE SUE TAYLOR, was a resident of Gilbert or Florence, Arizona.

2. The Internal Revenue Service (IRS) is an agency of the United States Department of Treasury responsible for enforcing and administering the tax laws of the United States and collecting taxes owed to the Treasury of the United States.

3. National Landbank LLC was a limited liability company organized under the laws of the State of Arizona and for which Articles of Organization were filed on February 27, 1995 with the Arizona Corporation Commission. The two members of National Landbank listed in the Articles of Organization were TAYLOR and Speck Trust. National Landbank filed

1 Articles of Termination/Winding Up on or about November 22, 2006 with the Arizona  
2 Corporation Commission.

3 4. An Employer Identification Number (EIN) is used by the IRS to identify a  
4 business entity. On or about October 13, 1995, TAYLOR applied for an EIN for National Land  
5 Bank and was assigned EIN 48-\*\*\*\*566.

6 5. During the years 2003, 2004, 2005, and 2006, TAYLOR represented National  
7 Landbank to be a real estate brokerage or agency through which she did business and earned  
8 commissions as a licensed real estate broker or agent. TAYLOR did not report these earnings  
9 to the IRS on any tax forms issued by National Landbank or on a personal tax return as required  
10 by law.

11 6. During the years 2003, 2004, 2005, and 2006, TAYLOR profited from real estate  
12 transactions in which she held an ownership interest. TAYLOR did not report these earnings to  
13 the IRS. Instead, TAYLOR hid her ownership interest in the properties from the IRS and from  
14 other participants in the transaction through the use of trusts and other business entities. For  
15 example, on or about July 1, 2004, TAYLOR obtained an ownership interest in real property  
16 purchased for \$500,000 by "CG 40 Hilltop Trust," an entity associated with TAYLOR.  
17 TAYLOR paid for a portion of the purchase price through her National Landbank account.  
18 TAYLOR told the seller that the buyer was a very wealthy client and did not disclose her  
19 ownership interest. On or about November 4, 2005, the property sold for \$2.4 million, and  
20 TAYLOR's \$72,000 commission along with \$1.3 million in proceeds from the sale were  
21 diverted to "Burning Bush Ministries," another entity associated with TAYLOR.

22 **COUNT ONE**  
23 **(Attempt to Evade and Defeat Assessment of Tax)**  
24 **26 U.S.C. § 7201**

25 7. The factual allegations in paragraphs 1-6 of the Indictment are incorporated by  
26 reference and re-alleged as though fully set forth herein.

27 8. During the calendar year 2003, in the District of Arizona and elsewhere,  
28 defendant SUE J. TAYLOR, aka JANICE SUE TAYLOR, knowingly had and received taxable

1 income on which she owed income tax to the United States of America. Well-knowing and  
2 believing that she had taxable income and a tax due and owing, defendant TAYLOR willfully  
3 attempted to evade and defeat the proper assessment and determination of the tax due and owing  
4 by her to the United States of America for calendar year 2003. She did so by failing to make an  
5 income tax return on or before April 15, 2004, as required by law, to any proper officer of the  
6 IRS or other proper officer of the United States, by failing to pay to the IRS the tax due and  
7 owing, and by committing the following affirmative acts of evasion, the likely effect of which  
8 would be to mislead or conceal her true and correct income tax due from proper officers of the  
9 United States of America:

- 10       A. Throughout 2003, TAYLOR (1) deposited commission checks written to  
11 National Landbank and diverted the funds for personal use, (2) used cash  
12 transactions, cashier's checks, and nominee entities to receive income and pay  
13 for goods and services, and (3) used trusts and other business entities to conceal  
14 her ownership interest in and profits realized from sales of real property.
- 15       B. Throughout 2003, TAYLOR directed that commissions from real estate  
16 transactions be paid to National Landbank so that the earnings would be  
17 reported, if at all, through the National Landbank EIN and not associated with  
18 TAYLOR's social security number. National Landbank did not issue TAYLOR  
19 any tax forms for real estate commissions as required by law.
- 20       C. On or about July 31, 2003, in First American Title Insurance Company escrow  
21 number 206-\*\*\*682, TAYLOR concealed her earned commission of  
22 approximately \$2798 by directing that it be applied to reduce the closing costs  
23 to nominee and purported buyer Herbal Research Institute.
- 24       D. On or about January 3, 2005, TAYLOR wrote a letter to Bank of America  
25 threatening legal action and requesting that it not respond to an IRS summons  
26 seeking TAYLOR'S bank records for 2003.

27 In violation of Title 26, United States Code, Section 7201.

**COUNT TWO**  
**(Attempt to Evade and Defeat Assessment of Tax)**  
**26 U.S.C. § 7201**

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4 9. The factual allegations in paragraphs 1-6 of the Indictment are incorporated  
5 by reference and re-alleged as though fully set forth herein.

6 10. During the calendar year 2004, in the District of Arizona and elsewhere,  
7 defendant SUE J. TAYLOR, aka JANICE SUE TAYLOR, knowingly had and received  
8 taxable income on which she owed income tax to the United States of America. Well-  
9 knowing and believing that she had taxable income and a tax due and owing, defendant  
10 TAYLOR willfully attempted to evade and defeat the proper assessment and determination  
11 of the tax due and owing by her to the United States of America for calendar year 2004. She  
12 did so by failing to make an income tax return on or before April 15, 2005, as required by  
13 law, to any proper officer of the IRS or other proper officer of the United States, by failing to  
14 pay to the IRS the tax due and owing, and by committing the following affirmative acts of  
15 evasion, the likely effect of which would be to mislead or conceal her true and correct  
16 income tax due from proper officers of the United States of America:

- 17 A. Throughout 2004, TAYLOR (1) deposited commission checks written to  
18 National Landbank and diverted the funds for personal use, (2) used cash  
19 transactions, cashier's checks, and nominee entities to receive income and  
20 pay for goods and services, and (3) used trusts and other business entities to  
21 conceal her ownership interest in and profits realized from sales of real  
22 property.
- 23 B. Throughout 2004, TAYLOR directed that commissions from real estate  
24 transactions be paid to National Landbank so that the earnings would be  
25 reported, if at all, through the National Landbank EIN and not associated  
26 with TAYLOR's social security number. National Landbank did not issue  
27 TAYLOR any tax forms for real estate commissions as required by law.  
28

1 C. On or about December 20, 2004, in Lawyers Title of Arizona, Inc. escrow  
2 number \*\*\*\*\*945-700 G61, TAYLOR concealed her earned commission of  
3 approximately \$8277 by directing that approximately \$4000 of it be disbursed  
4 to Gerald Ricke.

5 In violation of Title 26, United States Code, Section 7201.

6 **COUNT THREE**  
7 **(Attempt to Evade and Defeat Assessment of Tax)**  
8 **26 U.S.C. § 7201**

9 11. The factual allegations in paragraphs 1-6 of the Indictment are incorporated  
10 by reference and re-alleged as though fully set forth herein.

11 12. During the calendar year 2005, in the District of Arizona and elsewhere,  
12 defendant SUE J. TAYLOR, aka JANICE SUE TAYLOR, knowingly had and received  
13 taxable income on which she owed income tax to the United States of America. Well-  
14 knowing and believing that she had taxable income and a tax due and owing, defendant  
15 TAYLOR willfully attempted to evade and defeat the proper assessment and determination  
16 of the tax due and owing by her to the United States of America for calendar year 2005. She  
17 did so by failing to make an income tax return on or before April 17, 2006, as required by  
18 law, to any proper officer of the IRS or other proper officer of the United States, by failing to  
19 pay to the IRS the tax due and owing, and by committing the following affirmative acts of  
20 evasion, the likely effect of which would be to mislead or conceal her true and correct  
21 income tax due from proper officers of the United States of America:

22 A. Throughout 2005, TAYLOR (1) cashed commission checks written to  
23 National Landbank and diverted the funds for personal use, (2) used cash  
24 transactions, cashier's checks, and nominee entities to receive income and  
25 pay for goods and services, and (3) used trusts and other business entities to  
26 conceal her ownership interest in and profits realized from sales of real  
27 property.

- 1 B. Throughout 2005, TAYLOR directed that commissions from real estate  
2 transactions be paid to National Landbank so that the earnings would be  
3 reported, if at all, through the National Landbank EIN and not associated  
4 with TAYLOR's social security number. National Landbank did not issue  
5 TAYLOR any tax forms for real estate commissions as required by law.
- 6 C. On or about August 9, 2005, TAYLOR presented a real estate commission  
7 check drawn on the account of First National Title Agency in the amount of  
8 \$17,436 to be cashed at Sunstate Bank in Casa Grande, Arizona. Taylor  
9 provided false information when bank employees informed Taylor that the  
10 bank was required to report cash transactions exceeding \$10,000.
- 11 D. On or about November 3, 2005, in Fidelity National Title Agency of Pinal  
12 County escrow number \*\*\*424-JS, TAYLOR concealed her earned  
13 commission of approximately \$72,000 by directing that it be paid by check  
14 written to Burning Bush Ministries.

15 In violation of Title 26, United States Code, Section 7201.

16 **COUNT FOUR**  
17 **(Attempt to Evade and Defeat Assessment of Tax )**  
18 **26 U.S.C. § 7201**

19 13. The factual allegations in paragraphs 1-6 of the Indictment are incorporated  
20 by reference and re-alleged as though fully set forth herein.

21 14. During the calendar year 2006, in the District of Arizona and elsewhere,  
22 defendant SUE J. TAYLOR, aka JANICE SUE TAYLOR, knowingly had and received  
23 taxable income on which she owed income tax to the United States of America. Well-  
24 knowing and believing that she had taxable income and a tax due and owing, defendant  
25 TAYLOR willfully attempted to evade and defeat the proper assessment and determination  
26 of the tax due and owing by her to the United States of America for calendar year 2006. She  
27 did so by failing to make an income tax return on or before April 16, 2007, as required by

1 law, to any proper officer of the IRS or other proper officer of the United States, by failing to  
2 pay to the IRS the tax due and owing and by committing the following affirmative acts of  
3 evasion, the likely effect of which would be to mislead or conceal her true and correct  
4 income tax due from proper officers of the United States of America:

5 A. Throughout 2006, TAYLOR (1) cashed commission checks written to  
6 National Landbank and diverted the funds for personal use, (2) used cash  
7 transactions, cashier's checks, and nominee entities to receive income and  
8 pay for goods and services, and (3) used trusts and other business entities to  
9 conceal her ownership interest in and profits realized from sales of real  
10 property.

11 B. Throughout 2006, TAYLOR directed that commissions from real estate  
12 transactions be paid to National Landbank so that the earnings would be  
13 reported, if at all, through the National Landbank EIN and not associated  
14 with TAYLOR's social security number. National Landbank did not issue  
15 TAYLOR any tax forms for real estate commissions as required by law.

16 In violation of Title 26, United States Code, Section 7201.

17 **COUNT FIVE**  
18 **(Willful Failure to File)**  
19 **26 U.S.C. § 7203**

20 15. During the calendar tax year 2003, SUE J. TAYLOR, aka JANICE SUE  
21 TAYLOR, who was a resident of Gilbert or Florence, Arizona, had and received gross  
22 income in excess of \$7800, and by reason of such gross income she was required by law,  
23 following the close of the calendar year 2003, and on or before April 15, 2004, to make an  
24 income tax return to the Director, Internal Revenue Service Center, at Fresno, California or  
25 to the District Director of the Internal Revenue Service for the Internal Revenue District of  
26 Arizona, at Phoenix, or to any other proper officer of the United States, specifying the items  
27 of her gross income and any deductions and credits to which she was entitled; and well

1 knowing and believing all of the foregoing, she did willfully fail to make such an income tax  
2 return.

3 In violation of Title 26, United States Code, Section 7203.

4 **COUNT SIX**  
5 **(Willful Failure to File)**  
6 **26 U.S.C. § 7203**

7 16. During the calendar tax year 2004, SUE J. TAYLOR, aka JANICE SUE  
8 TAYLOR, who was a resident of Gilbert or Florence, Arizona, had and received gross  
9 income in excess of \$7950, and by reason of such gross income she was required by law,  
10 following the close of the calendar year 2004, and on or before April 15, 2005, to make an  
11 income tax return to the Director, Internal Revenue Service Center, at Fresno, California or  
12 to the District Director of the Internal Revenue Service for the Internal Revenue District of  
13 Arizona, at Phoenix, or to any other proper officer of the United States, specifying the items  
14 of her gross income and any deductions and credits to which she was entitled; and well  
15 knowing and believing all of the foregoing, she did willfully fail to make such an income tax  
16 return.

17 In violation of Title 26, United States Code, Section 7203.

18 **COUNT SEVEN**  
19 **(Willful Failure to File)**  
20 **26 U.S.C. § 7203**

21 17. During the calendar tax year 2005, SUE J. TAYLOR, aka JANICE SUE  
22 TAYLOR, who was a resident of Gilbert or Florence, Arizona, had and received gross  
23 income in excess of \$8200, and by reason of such gross income she was required by law,  
24 following the close of the calendar year 2005, and on or before April 17, 2006, to make an  
25 income tax return to the Director, Internal Revenue Service Center, at Fresno, California, or  
26 to the District Director of the Internal Revenue Service for the Internal Revenue District of  
27 Arizona, at Phoenix, or to any other proper officer of the United States, specifying the items  
28 of her gross income and any deductions and credits to which she was entitled; and well



1 knowing and believing all of the foregoing, she did willfully fail to make such an income tax  
2 return.

3 In violation of Title 26, United States Code, Section 7203.

4 **COUNT EIGHT**  
5 **(Willful Failure to File)**  
6 **26 U.S.C. § 7203**

7 18. During the calendar tax year 2006, SUE J. TAYLOR, aka JANICE SUE  
8 TAYLOR, who was a resident of Gilbert or Florence, Arizona, had and received gross  
9 income in excess of \$8450, and by reason of such gross income she was required by law,  
10 following the close of the calendar year 2006, and on or before April 16, 2007, to make an  
11 income tax return to the Director, Internal Revenue Service Center, at Fresno, California, or  
12 to the District Director of the Internal Revenue Service for the Internal Revenue District of  
13 Arizona, at Phoenix, or to any other proper officer of the United States, specifying the items  
14 of her gross income and any deductions and credits to which she was entitled; and well  
15 knowing and believing all of the foregoing, she did willfully fail to make such an income tax  
16 return.

17 In violation of Title 26, United States Code, Section 7203.

18 A TRUE BILL

19 S/

20 FOREPERSON OF THE GRAND JURY  
21 Date: March 30, 2010

22 DENNIS K. BURKE  
23 United States Attorney  
24 District of Arizona

25 S/

26 FRANK T. GALATI  
27 JAMES R. KNAPP  
28 Assistant U.S. Attorneys