



January 12, 2012

ATTORNEY GENERAL MADIGAN, DEPARTMENT OF REVENUE ANNOUNCE FELONY INDICTMENTS IN TOBACCO TAX FRAUD CASE

State Enforcement Effort Seeks to Recover Thousands of Dollars for Illinois Taxpayers

Chicago — Attorney General Lisa Madigan and the Illinois Department of Revenue (IDOR) announced today the indictment of an Illinois tobacco distributor for tobacco products tax fraud for defrauding the state in excess of \$221,000.

Adnan Memon, 32, Chicago, was charged with two counts of filing a fraudulent Illinois tobacco product tax return for activity in May and June 2010. Memon owns and operates PAK Discount, Inc., a licensed tobacco distributor located at 3823 W. Lawrence Ave. in Chicago. Memon was indicted on December 22, 2011 and arraigned today in the Circuit Court of Cook County. Filing a fraudulent Illinois tobacco product tax return is a Class 3 Felony, which can result in a sentence of two to five years in prison.

"This distributor devised a scheme to steal thousands of taxpayer dollars," said Attorney General Madigan. "Our prosecution of this case should demonstrate to anyone intent on defrauding the people of Illinois that they will be held accountable."

"When individuals scheme to avoid paying taxes, we will not tolerate it," said Brian Hamer, Director, Illinois Department of Revenue. "The people of Illinois who obey the law and pay their fair share of taxes deserve to know that we will investigate and prosecute those who try and avoid their responsibilities."

Distributors sell tobacco products to vendors on a tax-deferred basis. Vendors sell the product and then remit monthly sales amounts to IDOR. A tax credit, based on the exempt sales amount, is then provided by the state to the distributor.

Madigan's office and IDOR investigators determined that Memon knowingly falsified invoices and falsely reported tax-exempt tobacco sales for the months of May and June 2010.

Bureau Chief Vincenzo Chimera, Supervising Attorney Patrick Jennings, and Assistant Attorney General Lori Jordan are handling the case for Madigan's Special Prosecutions Bureau.

The public is reminded that the defendant is presumed innocent until proven guilty by a court of law.

-30-

[Return to January 2012 Press Releases](#)

