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JUSTICE NEWS

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**Florida Man Sentenced to 30 Months in Prison for Immigration Fraud Scheme and Tax Evasion Involving Florida Property Development Company**

WASHINGTON – Richard A. Murdoch of Florida was sentenced today to 30 months in prison for immigration fraud and tax evasion charges related to his role in a scheme to fraudulently procure visas from the U.S. Embassy in London through a Florida property development company called Royal Development. The sentence was announced by Assistant Attorney General Lanny A. Breuer of the Criminal Division; U.S. Attorney Robert E. O'Neill of the Middle District of Florida; Eric J. Boswell, Assistant Secretary of State for Diplomatic Security; and Special Agent in Charge Linda J. Osuna of the Internal Revenue Service (IRS) Criminal Investigation Division.

Murdoch, 54, was sentenced by U.S. District Court Judge Gregory A. Presnell in the Middle District of Florida. Judge Presnell also ordered Murdoch to pay \$2.3 million in restitution, jointly and several with his co-defendants, to United Kingdom visa applicants who were defrauded by Royal Development. Murdoch was also ordered to pay \$189,852 in back taxes and sentenced to three years of supervised release.

On April 7, 2010, Murdoch was indicted with Hugh Morgan, 68, a U.K. national residing in Ontario, Canada, and Christopher A. Barrett, 49, a U.K. national residing in Florida, on one count of conspiracy to commit immigration fraud and four counts of immigration fraud in relation to Royal Development. The indictment also charged Murdoch with three counts of tax evasion. Murdoch and Barrett were arrested on April 26, 2010, in Florida and Morgan was arrested on the same day in Ontario in response to a U.S. government extradition request. All three defendants pleaded guilty on Dec. 10, 2010.

Yesterday, Judge Presnell sentenced Morgan to three months in prison and three years of supervised release. Today, Judge Presnell sentenced Barrett to one month in prison and two years of supervised release. Morgan and Barrett are subject to removal from the United States as a result of the convictions.

According to court documents, from approximately June 2003 to November 2006, the defendants conspired to commit immigration fraud through Royal Development, which purportedly sold Florida-based home construction companies to foreign nationals. The conspirators represented that the purchase of a company would enable foreign nationals to qualify for and obtain either a treaty investor (E-2) visa or intracompany transferee (L-1A) visa. Along with the sale of the companies, the conspirators generally represented that they would submit the required visa paperwork to U.S. authorities, help the foreign nationals run the company, and help the foreign nationals adjust to life in the United States. According to court documents, the conspirators required a payment of between \$65,000 to \$165,000 for the purchase of the company and the visa services. During the course of this conspiracy, Royal Development obtained more than \$2.4 million from the U.K. investors.

According to court documents, Murdoch admitted that he knowingly presented required applications, affidavits and other documents that contained materially false statements to U.S. immigration authorities. In addition, Murdoch admitted that from approximately June 2003 to April 2006, Murdoch received approximately \$536,593 in income from Royal Development for which he should have paid income taxes and that he intentionally failed to file his federal income tax returns for 2003, 2004 and 2005, by the respective due dates, because he was concealing his income from the IRS. The total tax due and owing on this taxable income to the U.S. government is \$189,852. Murdoch also admitted that he used the taxable income from Royal Development for personal expenses such as hang gliding, cigars, and the purchase of a 1987 Porsche.

According to court documents, Morgan and Barrett admitted that they knowingly presented required applications, affidavits and other documents that contained materially false statements to U.S. immigration authorities. In particular, Morgan and Barrett admitted that they knowingly prepared and submitted fraudulent immigration benefit applications for Barrett as well as Barrett's adult daughter, enabling both Barrett and his daughter to fraudulently procure L-1A visas and come to and work in the United States.

The case was investigated by the Diplomatic Security Service - Criminal Investigations Division in Washington, D.C., and the IRS-Criminal Investigation Division in Maitland, Fla. The Fraud Prevention Unit at the U.S. Embassy in London provided significant assistance. The Diplomatic Security Service - Regional Security Offices in Toronto, Canada, and London, and the Diplomatic Security Service Miami Field Office provided invaluable support.

In addition, the government of Canada, including Canadian prosecutors and the Toronto Fugitive Squad, provided significant assistance. The Criminal Division's Office of International Affairs provided valuable assistance.

The case is being prosecuted by Senior Trial Attorney James S. Yoon of the Criminal Division's Human Rights and Special Prosecutions Section and Assistant U.S. Attorneys Karen L. Gable and Nicole M. Andrejko of the U.S. Attorney's Office for the Middle District of Florida.

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Criminal Division