

Alabama Department of Revenue

News Release
Sept. 20, 2002

Mobile County Business Owner Convicted on Tax Evasion Charges

Mobile, Sept. 20, 2002—A Mobile County business owner was convicted on felony sales tax evasion charges Sept. 18, 2002, in Mobile County Circuit Court, announced State Revenue Commissioner Cynthia Underwood.

Ali A. Abidrahman, owner of Delta Food Mart, located at 703 St. Stephens Road, Prichard, Ala., pleaded guilty Wednesday before Circuit Judge Herman Thomas to one count of state sales tax evasion for monthly sales tax periods beginning March 1, 1999, through March 31, 2002. At the time of sentencing, Abidrahman paid \$25,000 toward his total restitution of sales taxes, penalties, and interest for state and local sales taxes he collected from his Delta Food Mart customers during this period, but failed to report and pay to the state and local governments. The total amount of Abidrahman's state and local sales tax liability will be finalized in civil assessments.

Abdiraham's conviction carried a five-year jail sentence, suspended, with five years of supervised probation. Judge Thomas also ordered Abdiraham to accurately account for, file and pay all future sales tax returns on a timely basis.

Commenting on the conviction, State Revenue Commissioner Cynthia Underwood commended the Mobile County District Attorney's Office in its prosecution of the case and Department of Revenue Special Agent Robert McVay and Revenue Examiner Danny Leathers in their handling of the case.

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“Over the last several months, we’ve hired 15 new sales tax auditors. We plan to hire an additional 10 during the 2003 fiscal year. This will allow us to step up our compliance efforts within the state, as well as outside the state,” explained Underwood.

“Tax evasion is costly to all involved, and the cost of tax offenses far outweighs any chance of personal gain. Convicted individuals face penalties and possible jail terms, but even more importantly, when tax evasion occurs, the Education Trust Fund (ETF) is short-changed because taxes are not properly paid. ETF provides the funding source for one of our state’s most important responsibilities—the education of our children,” said Underwood.

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