



STATE OF NEW MEXICO  
**Taxation and Revenue Department**  
An Equal Opportunity Employer

**DIVISIONS**  
**Office of the Secretary**  
(505) 827-0341  
**Administrative Services**  
(505) 827-0369  
**Audit and Compliance**  
(505) 827-0900  
**Motor Vehicle**  
(505) 827-2296  
**Property Tax**  
(505) 827-0870  
**Revenue Processing**  
(505) 827-0800  
**Tax Fraud Investigations**  
(505) 841-6544

**Bill Richardson**  
*Governor*  
**Jan Goodwin**  
*Secretary*

**FOR IMMEDIATE RELEASE**  
November 13, 2006

**CONTACT: David Harwell (505) 827-0313**

**Carlsbad Couple Arraigned on Tax Evasion Charges**

CARLSBAD – On November 13, Garlon P. Ellis, of Carlsbad, was arraigned before Fifth Judicial District Court Judge Richard J. Brown on three felony counts of attempted New Mexico Personal Income Tax evasion. Ellis pleaded “not guilty” to the charges. Ellis’s wife, Sherry L. Ellis, was arraigned separately on three felony counts of attempted New Mexico Personal Income Tax evasion at an earlier hearing.

The Ellises were bound over to District Court following a Preliminary Hearing on September 22 at which evidence was introduced that the Ellises earned over \$308,000 in wages for the years 2002, 2003 and 2004. During those years, Garlon Ellis was employed at IMC Kalium Carlsbad Potash Co. Mrs. Ellis was also employed by IMC for most of that three-year period.

The investigation conducted by the Tax Fraud Investigations Division of the New Mexico Taxation and Revenue Department revealed that the Ellises owed in excess of \$10,000 in New Mexico Personal Income Taxes for the years in question. A trial date has not yet been set.

The case was a result of an investigation by the New Mexico Taxation and Revenue Department’s Tax Fraud Investigations Division. Taxation and Revenue Department Cabinet Secretary Jan Goodwin created the Tax Fraud Investigations Division in February 2003. The Department is currently conducting over 50 investigations throughout the State of New Mexico in a number of industries and occupations.

To report suspected tax fraud against the State of New Mexico, call the Tax Fraud Hotline at 1-866-457-6789.

