



Michelle Lujan Grisham
Governor

Stephanie Schardin Clarke
Cabinet Secretary

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Media Contact: Charlie Moore
Charlie.Moore@state.nm.us
(505) 827-0690

Albuquerque Man Sentenced for Tax Fraud

An Albuquerque man has been given a nine-year deferred sentence after pleading no contest to 10 felony counts of tax fraud over \$20,000 and agreeing to pay more than \$2 million in taxes, penalties and interest.

Karl Pergola, 53, was sentenced on July 17 by 2nd District Court Judge Charles Brown in Albuquerque. In addition to the deferred sentence, Pergola will serve five years supervised probation.

Pergola pleaded no contest to the charges on June 12 under a plea agreement with the District Attorney's Office in Bernalillo County. Fourteen felony counts of attempted tax evasion were dismissed under the deal. The defendant knowingly concealed tax liabilities from 2013 through 2015, according to an indictment handed down last year.

Pergola already has paid more than \$1.5 million in gross receipts taxes owed to the state but still owes more than \$700,000 in penalty and interest.

"This case is a win for taxpayers across all of New Mexico because when one individual cheats the system, we all pay the price in the form of higher taxes or loss of critical government services," said Taxation and Revenue Department Secretary Stephanie Schardin Clarke. "Thanks to the hard work of Taxation and Revenue Department investigators and the prosecuting attorneys, this particular taxpayer is paying his debt to New Mexicans."

The case was investigated by the Department's Tax Fraud Investigations Bureau and prosecuted by the District Attorney's Office in the 2nd Judicial District.

To report tax fraud against the State of New Mexico, call the Tax Fraud Hotline at 1-866-457-6789 or e-mail tax.fraud@state.nm.us.

