

DOR Rhode Island Department of Revenue Office of the Director

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DOR commends Division of Taxation, Attorney General, and Providence Police on case involving illicit funds and drug ring *Joint effort leads to arrests of four individuals, seizure of \$300,000 in cash and other property*

PROVIDENCE, R.I. – Rhode Island Director of Revenue Robert S. Hull today praised the work of the Rhode Island Division of Taxation, the Rhode Island Attorney General’s Office, and the City of Providence Police Department for their efforts in securing criminal indictments in a case that involved drugs, money laundering, and tax evasion.

The Division of Taxation’s Special Investigation Unit (SIU), in a lengthy investigation which began in early 2017, aided the Attorney General’s Office and Providence Police in tracing the movement of illicit funds from an extensive drug ring in Rhode Island and Southeastern Massachusetts.

The successful joint investigation resulted in 119 Grand Jury indictments and the recent arrest of four individuals for various financial crimes, including money laundering, tax evasion, and misappropriation of taxes.¹

“This is a good example of teamwork -- of government agencies working together and going the extra mile to make sure that the law is upheld and that everybody plays by the rules,” Hull said. “The Division of Taxation’s Special Investigation Unit played a key role investigating what turned out to be an elaborate criminal enterprise. Law enforcement was able to rely on the expertise that the Special Investigation Unit has developed in vetting complex tax-evasion scenarios. I applaud the determined effort and collaboration of SIU and our law enforcement partners.”

As a result of the arrests and execution of search warrants at homes and businesses tied to the individuals charged, more than \$300,000 in cash and other property was seized by the Providence Police.

The SIU is a dedicated tax unit within the Division of Taxation. Members of its staff have extensive experience in law enforcement. “The SIU is an impressive asset for the State of Rhode Island to have,” Hull said. Rhode Island Tax Administrator Neena S. Savage said that the SIU hopes to tackle more investigations of this nature to send a message to dishonest business owners that siphoning taxpayer dollars for personal gain will have consequences. “It’s very important to have a level playing field for all taxpayers so that honest businesses can thrive,” she said.

The Rhode Island Department of Revenue oversees the Division of Taxation, Division of Lottery, Division of Motor Vehicles, and Division of Municipal Finance, as well as the Office of Revenue Analysis.

¹ An indictment is not a conviction.