

JUSTICE NEWS

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Alaska Plastic Surgeon Convicted of Wire Fraud and Tax Evasion

Doctor Hid Millions in Secret Accounts in Panama

An Alaskan plastic surgeon was convicted today of four counts of wire fraud and three counts of tax evasion by a federal jury sitting in Anchorage, Alaska, announced Acting Assistant Attorney General Caroline D. Ciruolo of the Justice Department's Tax Division and U.S. Attorney Karen Loeffler of the District of Alaska.

Dr. Michael Brandner, 67, was convicted following a seven-day jury trial before U.S. District Judge Sharon Gleason of the District of Alaska. According to the indictment and evidence introduced at trial, in late 2007, shortly after Brandner's wife filed for divorce, he collected millions of dollars in marital assets and secretly drove from Tacoma, Washington, to Costa Rica in Central America. In Costa Rica, he opened two bank accounts into which he deposited more than \$350,000 in cash and hid a thousand ounces of gold in a safe deposit box. He then traveled to Panama where he opened an account under the name of a sham corporation and in 2008, deposited \$4.6 million into the account.

Dr. Brandner concealed both the existence of the bank accounts and the interest he earned on those accounts from the court in the divorce proceedings and from the Internal Revenue Service (IRS). Dr. Brandner owed the IRS \$600,000 in additional taxes for the 2008 through 2010 tax years. He presented the divorce court with a fabricated promissory note to mislead the court into believing he had invested more than \$3 million in the foreign corporation.

In 2011, once the divorce was final, Dr. Brandner repatriated more than \$4.6 million, only to have the funds seized by Homeland Security Investigations agents. He then lied to federal agents about his control of the funds.

At his March 7, 2016 sentencing, Dr. Brandner faces a statutory maximum penalty of 20 years in prison for each count of wire fraud and five years for each count of tax evasion and a fine of up to \$250,000, or twice the gain or loss caused by the offense, on each of the seven counts of conviction.

Acting Assistant Attorney General Ciruolo thanked the special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorney Ignacio Perez de la Cruz of the Tax Division and Assistant U.S. Attorney Bryan Schroder of the District of Alaska, who prosecuted the case.

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Tax Division

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