



Department of Justice

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FOR IMMEDIATE RELEASE
February 14, 2020

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Dover Businessman Sentenced to Federal Prison for Tax Fraud

WILMINGTON, Del. – David C. Weiss, United States Attorney for the District of Delaware, announced that Peter Coker, 50, of Dover, Delaware was sentenced today in federal court in Delaware to 21 months in prison for willfully failing to pay over \$1.1 million in payroll taxes to the Internal Revenue Service (“IRS”).

According to court documents and statements made in open court, Coker was the sole owner of Sitework Safety Supplies Inc. (“Sitework”), a flagging company in Delaware. Between tax years 2012-2014 and 2016, Coker willfully failed to remit federal income, Medicare, and Social Security taxes he withheld from Sitework employees’ paychecks, as well as Sitework’s taxes due and owing, to the IRS.

In addition to the term of incarceration imposed by United States District Judge Richard A. Andrews, Coker was also ordered to pay \$1.145 million in restitution.

U.S. Attorney Weiss commented: “The law requires all individuals and business owners to pay taxes that are owed to the IRS. Government programs and services on which we all rely are funded by that tax revenue. Here, the defendant collected taxes from his employees, but did not pay over those funds to the IRS. As a result, Social Security, Medicare, and other government programs had no record of those employees having properly paid. This prison sentence demonstrates that those who willfully violate the tax laws and cheat their own employees, all for personal gain, will be prosecuted to the full extent of the law.”

“Peter Coker cheated his employees and the government when he failed to pay over to the IRS the taxes withheld from his employees’ wages,” said Guy Ficco, IRS Criminal Investigation Special Agent in Charge. “As a result of his actions, his employees are at risk of losing future social security and Medicare benefits. IRS-CI will work tirelessly to ensure that perpetrators of similar crimes are held accountable.”

“Peter Coker knowingly avoided paying federal employment taxes. In doing so, he intentionally diverted tax revenue intended, in part, to fund costs of administering

important job service programs, including the federal-state unemployment insurance program. Today's sentencing affirms the Office of Inspector General's commitment to working with our law enforcement partners to hold accountable individuals whose actions adversely affect the American workforce," stated Derek Pickle, Special Agent-in-Charge, Washington, D.C. Region, U.S. Department of Labor Office of Inspector General.

This case was investigated by the IRS Criminal Investigation Division and the U.S. Department of Labor, in coordination with Delaware Department of Labor. The case was prosecuted by Assistant U.S. Attorneys Alexander P. Ibrahim and Graham L. Robinson.

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