

S. Fla. doctor sentenced to 2 years in prison, \$50,000 fine for hiding \$18M from IRS



By Paula_McMahon Sun Sentinel

South Florida doctor sentenced for hiding income from IRS

A South Florida doctor was sentenced to two years in federal prison, followed by one year of supervised release, for failing to pay nearly \$6.4 million in taxes on \$18 million worth of income he hid from the IRS.

Dr. Krishan Tripuraneni, 57, was also ordered to pay a \$50,000 fine to the U.S. government and perform 200 hours of community service at his sentencing hearing Monday in federal court in Miami.

Tripuraneni has until June 26 to surrender and begin serving his prison term. He was facing a maximum of three years behind bars.

More than three dozen family members and supporters attended the sentencing. Tripuraneni's family hugged each other and cried quietly in the

courtroom when they heard his punishment announced. Outside the courtroom, some of the family and supporters sobbed.

The doctor, who built a thriving gastroenterology practice in Wellington and an oceanfront Manalapan mansion he's put on sale for \$25 million, had hoped the "remarkably giving life" he has led would keep him out of prison.

U.S. District Judge Darrin Gayles said he balanced the doctor's significant illegal conduct and his long history of charitable work in deciding the appropriate punishment.

"The thing that stood out to me ... there was this duality — this very serious crime and there are also good works," the judge said.

The judge said he had difficulty discerning the doctor's motive, noting that unlike many defendants, he had no great financial need or any drug problem.

"Perhaps it was the need for more homes, or bigger homes, or more cars ... I don't understand it," the judge said.

Tripuraneni, in a dark grey suit, told the judge he was sincerely sorry for what he did and took full responsibility.

"This embarrassment is something I'll take to my grave," he said.

He said he was too ashamed to face his parents, who are in their 80s and live in India. And he said he dreaded the thought of his future grandchildren learning what he did.

"There will be an asterisk next to my name and it's hard to live with that shame," he said.

The doctor's lawyer Roy Black said the doctor's remorse is evident and Tripuraneni has already paid every dime of the \$11,804,120.79 he owed the IRS in back taxes, interest and penalties.

Federal prosecutor Christopher Clark said the doctor only paid up after he got caught.

"[His] decision to settle his IRS tax liability was not voluntary nor was it borne out of remorse ... It is fair to say that had the IRS not discovered defendant's well-concealed scheme to shelter his income, Dr. Tripuraneni would never have made good on his tax obligations," Clark wrote.

Black filed a 177-page sentencing memo and a 13-minute DVD, detailing Tripuraneni's many good deeds, his charitable benevolence and testimonials from his supporters.

"While there is certainly no excusing the conduct to which Dr. Tripuraneni pleaded guilty and for which he accepts full responsibility, this case represents an isolated transgression in a sea of giving and selflessness and commitment to others — particularly the less fortunate," Black wrote.

Tripuraneni kick-started a campaign to build a high-quality Boys & Girls Club in Wellington by making an initial donation of \$500,000, according to court records.

And for the past 17 years, he's gone to the impoverished Belle Glade community two days a week and treated patients there for reduced, and sometimes no, fees, his lawyers wrote.

The married father of two adult children, one of whom is also a physician, also has a long history of lending or giving money to friends and his employees during times of need. Just one example: He gave a \$90,000 gift to one friend so his son could attend medical school.

Tripuraneni, who was indicted in 2013, began paying what he owed the IRS before he formally pleaded guilty to a federal tax evasion in January, the defense said. He settled his tab with a final payment made a month ago, records show.

"Significantly, Dr. Tripuraneni has had to borrow against lines of credit, sell real and personal property, liquidate brokerage accounts, borrow against the house that is at the center of this case, and even borrow from friends. He will be forced to sell his house to start repaying these loans," Black wrote.

Tripuraneni, a U.S. citizen who immigrated from India in 1984 and settled in Palm Beach County in 1997, admitted that he understated his income by \$18.1 million between 2004 and 2008, resulting in unpaid taxes of \$6.38 million.

He admitted he fudged his business expenses and used money from his medical practices to build his mansion; make interior design improvements to his other residences; make payments on condominiums he bought; and pay tuition for his son and daughter. Some of the payments were illegally classified as building repairs and other expenses for his businesses, prosecutors said.

"Tripuraneni's amassed wealth in excess of \$14 million and his reported monthly income of \$48,000 provide him ready means with which to pay his tax debts," Clark wrote.

"Despite the extraordinary income which [he] obtained from his profession, [he] chose to use his medical business entities to cheat the public of millions which he owed in taxes. No society that depends on its citizens to meet their tax obligations can tolerate such blatant disregard for its tax laws, particularly from persons who have benefitted more than the vast majority of the public."