



*United States Attorney
District of New Jersey*

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**RAPPER JA RULE ADMITS FAILING TO FILE INCOME TAX RETURNS
RESULTING IN OVER \$1.1 MILLION IN TAX LOSSES**

NEWARK, N.J. – Jeffrey Atkins, the rapper popularly known as “Ja Rule,” pleaded guilty today to three counts of failing to file tax returns with the IRS, admitting that he did not pay his taxes for five years, U.S. Attorney Paul J. Fishman announced.

Atkins, 35, of Saddle River, N.J., entered his guilty plea to Counts One, Two and Three of the five-count Information before U.S. Magistrate Judge Patty Shwartz in Newark federal court.

According to the Information filed and statements made in Newark federal court:

During the period in question, Atkins was the sole shareholder of ASJA Inc. and Rule Tours Inc. Atkins admitted that during the five tax years from 2004 through 2008, he received music royalty income from ASJA Inc. and music tour and live performance-related income from Rule Tours Inc.

Though Atkins pleaded guilty to charges specifically related to tax years 2004, 2005 and 2006, the terms of his plea agreement state that the tax loss for all five years, including 2007 and 2008, will be taken into account at sentencing – a total loss to the government of approximately \$1,137,912. Atkins has also agreed to file true and accurate tax returns and to pay all taxes and penalties owed to the IRS. Judge Shwartz set bail at \$500,000 and permitted Atkins’ release pending sentencing, currently scheduled for June 13, 2011.

The counts to which Atkins pleaded guilty each carry a maximum potential penalty of a year in prison plus applicable fines and court costs.

U.S. Attorney Fishman stated: “As part of his guilty plea, Atkins has promised to pay the government his outstanding debt of over one million dollars. Each of us must pay our fair share to keep this country moving. We will bring federal charges when necessary to ensure the government gets its due.”

“With this year’s April 18th tax deadline just around the corner, it is important for people to have confidence that when they pay their taxes, their neighbors and competitors will do the same. Nobody is above the law,” stated Victor W. Lessoff, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “Today’s guilty plea by Mr. Atkins again emphasizes that the Internal Revenue Service and U.S. Attorney’s Office will continue their aggressive pursuit of those who would attempt to defraud America’s tax system.”

U.S. Attorney Fishman credited special agents with IRS-Criminal Investigation with the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Joseph Mack of the U.S. Attorney's Office Health Care and Government Fraud Unit in Newark.

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Defense counsel: Stacey Richman, Esq., Bronx, N.Y.