



FOR IMMEDIATE RELEASE

February 22, 2011

**COMMISSIONER DAVID M. FRANKEL ANNOUNCES MERGING
OF THE OFFICE OF TAX ENFORCEMENT WITH SHERIFF'S
OFFICE**

Combined Law Enforcement Organization Will Be Even Tougher on Criminals

Finance Commissioner David M. Frankel announced today that the Office of Tax Enforcement (OTE), the City's criminal tax investigation arm, will be folded into the Sheriff's Office. The Sheriff will oversee large scale multijurisdictional tax investigations as well as cigarette wholesaler activities.

"Most New Yorkers play by the rules and pay what they owe- and the ones that don't are putting the screws to the rest of us," said Finance Commissioner Frankel. "We want to send a clear message to those who try to skirt the rules and avoid their obligation: We are leaner, we are meaner, and it is better for you to find us before we find you. The penalties could be severe."

The Office of Tax Enforcement, which is Finance's criminal tax investigation unit, oversees cigarette wholesaler licensing and conducts cigarette, business, personal income and other tax related investigations – often with other agencies including the NYPD, District Attorney's offices, New York State Department of Taxation and Finance, US Immigration and Customs Enforcement, and the Bureau of Alcohol Tobacco Firearms and Explosives (ATFE). OTE, which has specific powers in the handling of tax information, will continue to exist as a separate unit within the Sheriff's Office. While it will no longer report to the Tax and Audit Policy division, it will still work closely with the Data Integrity Group which mines several sources including tax and non-tax city data for inconsistencies that are the basis for many investigations.

"The Data Integrity Group will continue to conduct the data-matching and mining efforts that feed both our audit and enforcement efforts," said Deputy Commissioner Michael Hyman. "At the same time we will be able to consolidate resources as an agency and bolster law enforcement efforts."

Sheriff Domenech, who is the former deputy director of the ATFE in Washington DC has 25 years of law enforcement experience, and served in a variety of leadership positions at the agency including the Special Agent in Charge of the New York Field Division. He was appointed Sheriff by Mayor Michael R. Bloomberg on December 7, 2010

“As the City’s Chief Civil Law Enforcement agency, the Sheriff’s Office has significant experience both over a broad array of duties, including cigarette field operations, hunting down deadbeat parents, serving court orders, and compelling individuals with mental illness to receive and accept treatment, as well as working with our own agency’s Office of Tax Enforcement on large-scale operations” said Sheriff Domenech. “Combining both entities under one division will eliminate internal bureaucracy and enhance the use of our investigative resources.”

The OTE and Sheriff’s Office merger will take effect on March 1.

“This merger will not only consolidate our law enforcement responsibilities under one division for better internal communication, but also leverage Sheriff Domenech’s significant law enforcement experience running large scale, multijurisdictional investigations,” said Finance Commissioner David Frankel. “Combining offices will complement OTE and the Sheriff’s statutory authority and streamline communication with other state and federal agencies during joint enforcement operations.”

Contact: Owen Stone - DOF (212) 669-2566