



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

Note: Audio comments from U.S. Attorney Todd P. Graves are available on-line.

Digital files in MP3 format may be downloaded from the district's Web site at

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HIGGINSVILLE WOMAN PLEADS GUILTY TO FELONY TAX EVASION ON NEARLY \$1 MILLION GAINED IN 'MIRACLE CARS' SCAM

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Higginsville, Mo., woman pleaded guilty in federal court today to felony tax evasion in connection with nearly \$1 million she earned in the Miracle Cars scheme.

Corinne M. Conway, 62, of Higginsville, Mo., waived her right to a grand jury indictment and pleaded guilty before U.S. District Judge Nanette K. Laughrey this morning to a federal information that charges her with one count of felony tax evasion. Under the terms of today's plea agreement, the United States will dismiss the charges pending against **Conway** in a multiple-count indictment related to a conspiracy to defraud.

Miracle Cars, Graves explained, was a nationwide conspiracy that allegedly defrauded hundreds of victims of millions of dollars. **Conway** was indicted on June 25, 2002, for her role in the Miracle Cars scam, which targeted churches and religious groups with the promise of bargain-priced vehicles as a reward for religious faith. Purchasers of those automobiles and other vehicles were told that a man named John Bowers had left a multi-million dollar estate with a significant number of vehicles to be sold at bargain prices. In reality, Graves said, there was no such estate and there were never any cars.

Through her charitable organization, The Virtuous Women International Ministry, **Conway** had contacts with churches and religious groups throughout the United States. **Conway** took advantage of those relationships, Graves said, to work as a "finder," or intermediary who helped to locate buyers for the estate cars. **Conway** also had several other finders throughout the

United States, Graves added, and purchase money from these other finders was transmitted to **Conway**.

“**Conway** admitted that she sold vehicles to numerous individuals and received substantial amounts of commissions from purchasers,” Graves said. **Conway** began selling the estate cars in 1999, and in 2000 began receiving a \$1,000 commission for each vehicle purchased.

By pleading guilty, **Conway** admitted that she earned \$991,810 in finder’s fees during the year 2000. After \$161,222 in refunds and business expenses, Graves said, **Conway** earned a net profit of approximately \$818,209. Although she should have paid more than \$320,000 in federal income taxes on those earnings, **Conway** admitted that she took steps to prevent the Internal Revenue Service from learning of her income from finder’s fees and her tax liability for those fees.

One way in which **Conway** attempted to evade paying taxes, Graves said, was by disguising some of her earnings as contributions to Virtuous Women International Ministries, a tax-exempt charitable organization she operates in Higginsville. **Conway** admitted that she paid a number of personal expenses out of the Virtuous Women International Ministries account.

As a result of today’s guilty plea, Conway could be subject to a sentence of up to five years in federal prison without parole, plus a fine up to \$250,000. **Conway** could be required to pay restitution of the amount of taxes due, as well as restitution to victims of the Miracle Cars scheme who submitted their purchase money through her. **Conway** could also be required to forfeit to the United States certain real estate purchased in Higginsville with the proceeds of finder’s fees received in connection with the sale of estate cars, which could then be sold in order to pay restitution to purchasers of estate vehicles.

Conway’s plea agreement also anticipates a review by the Internal Revenue Service of whether the status of Virtuous Women International Ministries as a charitable organization is appropriate.

Under the terms of today’s plea agreement, **Conway** must testify against the remaining defendants, whose trial is scheduled to begin on May 19, 2003.

The case is being prosecuted by Assistant U.S. Attorneys J. Daniel Stewart and Curt Bohling. It was investigated by the Postal Inspection Service and the Internal Revenue Service, Criminal Investigation, with assistance from the Federal Bureau of Investigation, the Missouri Attorney General’s Office, the California Department of Justice-Division of Gambling Control, the Tennessee Attorney General’s Office, and the Better Business Bureau in Memphis, Tennessee.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at www.usdoj.gov/usao/mow