



# Sacramento County District Attorney's Office

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## CASE OF INTEREST

### **Defendant Pleads Guilty to Felony Insurance Fraud and Tax Evasion**

**DATE:** March 3, 2016

**CASE:** William Alan Huffman

**PROSECUTOR:** Supervising Deputy District Attorney Dale Kitching, Insurance Fraud Unit

Forty-seven-year-old William Alan Huffman pled guilty to felony insurance fraud and tax evasion charges arising from his ownership of Capitol City Construction Company.

For more than three years, Huffman falsely reported to his workers' compensation insurance carriers that he had either no employees or very few, when in fact he often had several employees. This allowed him to avoid having to pay the insurance premiums he actually owed.

During the same period, he paid his employees in cash or otherwise failed to collect and turn over the required unemployment insurance deductions to the California Employment Development Department (EDD). From February 1, 2012 through June 30, 2015, Huffman underreported his payroll by an estimated \$1,092,842, defrauding his insurance companies, Zurich Insurance and Wesco Insurance, of a combined \$187,757 in premiums and \$115,922 owed to EDD.

Under the terms of the plea agreement, Huffman will be ordered to serve 1 year in county jail, be on formal probation for 5 years, and pay restitution in the amount of \$303,680. Sentencing is set for March 24, 2016, in Department 63 before the Honorable Jaime Román.