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Rapper DMX Charged With Tax Evasion, Could Face 44 Years

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DMX, the 46-year old recording artist, performer, and actor whose real name is Earl Simmons, has been charged with 14 counts of federal income tax evasion involving \$1.7 million in alleged tax liabilities. He has surrendered to federal authorities. As is typical in cases of high profile defendants, prosecutors make much of his financial success and public acclaim. The indictment, [U.S. v. Earl Simmons Indictment](#), is worth reading in its entirety.



For years, Earl Simmons, the recording artist and performer known as DMX, made millions from his chart-topping songs, concert performances and television shows. But while raking in millions from his songs, including his 2003 hit 'X Gon' Give it to Ya,' DMX didn't give any of it to the IRS. Far from it, DMX allegedly went out of his way to evade taxes, including by avoiding personal bank accounts, setting up accounts in other's names and paying personal expenses largely in cash. He even allegedly refused to tape the television show 'Celebrity Couples Therapy' until a properly issued check he was issued was reissued without withholding any taxes. Celebrity rapper or not, all Americans must pay their taxes, and together with our partners at the IRS, we will pursue those who deliberately and criminally evade this basic obligation of

citizenship."

Beginning in 1997, Simmons released a series of hip-hop albums that sold in the millions. Many of his albums went platinum and occupied top positions on musical charts. Simmons performed at venues across the United States and around the world, and has acted in motion pictures. But now he is charged in 14

counts: one count of corruptly endeavoring to obstruct and impede the due administration of Internal Revenue Laws, one count of evasion of payment of income taxes, six counts of evasion of assessment of income tax liability, and six counts of failure to file a U.S. individual income tax return.

These are only charges, and Simmons is presumed innocent. But make no mistake, these are staggering charges, with vast prison time possible if Simmons is convicted of all the charges. Count One carries a maximum sentence of three years. Counts Two through Eight carry a maximum sentence of five years—each. Counts Nine through Fourteen carry a maximum sentence of one year—each. If you assume the worst—that the feds succeed in convicting him on all counts—the potential prison time could be up to 44 years. That probably isn't likely, but it is staggering possibility.

The indictment alleges that Simmons' earnings from musical recordings and performances from 2002 through 2005 meant that he owed federal income tax liabilities of approximately \$1.7 million. Those early liabilities went unpaid. Then, in 2005, the IRS began efforts to *collect* on these unpaid tax liabilities. That's when Simmons' alleged conduct went from bad to worse. Plus, from 2010 through 2015, Simmons earned over \$2.3 million. Even so, prosecutors say he did not file tax returns for those years.

Instead, he orchestrated a scheme to evade payment of his outstanding tax liabilities. He maintained a cash lifestyle, and avoided using personal bank accounts. He even used the bank accounts of nominees, including business managers to pay personal expenses. He received hundreds of thousands of dollars of royalty income from his music recordings, but managed to skate on taxes, prosecutors claim. Simmons would get his managers to accept the royalties, and then give Simmons cash. Simmons was also on the "Celebrity Couples Therapy" TV show in 2011 and 2012, for which he was paid \$125,000.

Prosecutors cite that TV show as a telling example. When taxes were withheld from Simmons' check for the first installment of that fee by the producer, Simmons refused to tape the remainder of the show until the check was reissued *without* withholding taxes. Prosecutors claim that he took other steps to conceal his income too. He allegedly filed a false affidavit in U.S. Bankruptcy Court that listed his income as "unknown" for 2011 and 2012. Then, he said he made \$10,000 for 2013. In reality, though, say prosecutors, Simmons received hundreds of thousands of dollars of income in *each* of those years. None of these charges has been proven, but it seems likely that DMX has some serious explaining to do.

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