



Department of Justice

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District of Oregon

FOR IMMEDIATE RELEASE

MONDAY, SEP. 17, 2018

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PORTLAND MARIJUANA BUSINESS OWNER RECEIVES FEDERAL PRISON SENTENCE FOR TAX CRIMES

Oregon's first state-legal retail marijuana proprietor sentenced for federal tax crimes

PORTLAND, Ore. – Matthew Price, 32, of Portland, was sentenced today to seven months in federal prison and ordered to pay more than \$262,000 for willfully failing to file federal income tax returns in four consecutive years.

“Matthew Price attempted to live a double life—advising OLCC officials on how to regulate state-legal marijuana sales, while privately evading his personal and business tax obligations,” said Billy J. Williams, U.S. Attorney for the District of Oregon. “Marijuana businesses and business owners are subject to the same federal tax laws as every other business and will be scrutinized for criminal wrongdoing. Tax cheaters will not be tolerated in any industry.”

According to court documents, in 2010, Price, then 25 years old, came to Portland with the financial backing of a business partner in Colorado to start a state-legal marijuana business in anticipation of Oregon's full retail legalization. Price had previously been working in a marijuana store in Colorado owned by his business partner. In December 2010, Price began operating a marijuana farmers market in Portland called Cannabliss. In mid-2013, Price and his business partner converted the business to a medical marijuana dispensary. In 2014, the pair opened two additional Cannabliss dispensaries, a second in Portland and one in Eugene, Oregon.

Price failed to file personal income tax returns in four consecutive years between 2011 and 2014, despite retaining the services of three different certified public accountants. Price's taxable income steadily grew from \$42,000 in 2011 to \$590,000 in 2014. In 2015, Price was a member of the Oregon Liquor Control Commission's (OLCC) Recreational Marijuana Technical Advisory Retail Subcommittee. In this capacity, Price, with other retailers, advised the OLCC in its rulemaking process for Oregon Measure 91, the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act.

Price previously pleaded guilty to four counts of willfully failing to file personal income tax returns in violation of 26 U.S.C. § 7203 on May 31, 2018. Upon completion of his prison sentence, Price will be on supervised release for three years with six months of home detention.

The IRS Criminal Investigations investigated this case. It was prosecuted by Seth D. Uram, Assistant U.S. Attorney for the District of Oregon.

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