

Man convicted of swindling film tax credit program must serve 6 months, pay back \$1.2 million

Advocate staff report

Another man convicted of swindling money from Louisiana's film tax incentive program must spend six months in federal prison, a federal judge ruled Tuesday.

Prairieville businessman J. Matthew Keith, 38, was sentenced by Chief U.S. District Judge Brian A. Jackson and ordered to pay \$1.2 million in restitution to the state of Louisiana, U.S. Attorney for the Middle District of Louisiana Walt Green said in a news release.

Keith's lawyer, Glen R. Petersen, didn't immediately return a request for comment Wednesday.

The announcement comes two weeks after Keith's co-conspirator, 38-year-old filmmaker Daniel Garcia, [was given a similar sentence](#) for creating false documentation to fraudulently obtain close to \$1 million in film tax credits.

Critics of Louisiana's film tax plan point to these cases, among a dozen criminal matters related to the incentive policy, as examples of weak spots in the purported economy-boosting program that could allow thieves to steal taxpayer dollars.

In 2013, Keith admitted to using his company, Dirty District Entertainment LLC, which provided technical services to filmmakers, to conspire with Garcia in producing inflated spending figures to the state in order to qualify for tax credits between June 10, 2009, and March 31, 2010, authorities said.

In order to promote movie-making in Louisiana, the state awards tax credits to filmmakers equal to 30 percent of their expenditures once those expenditures exceed \$300,000. Once issued, the tax credits can be sold for cash back to the state, or to third parties.

Keith signed checks Garcia used in what would later be revealed as bogus spending records, authorities said. Through records purporting to show \$4 million in payments, Keith helped garner for Garcia \$1.2 million in fraudulent tax credits, according to the release.

At the time of Garcia's [conviction in May 2013](#), authorities didn't know the full extent of his fraud, and were only able to pin him for \$900,000 in illegally-obtained credits, Green said. More investigation revealed the amount was actually \$1.2 million, he said.

The investigation was conducted by the FBI and the Louisiana Inspector General's office, and is being prosecuted by Assistant U.S. Attorney Frederick A. Menner Jr.