



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Cincinnati Field Office
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DAYTON TAX RETURN PREPARER SENTENCED FOR PREPARING FALSE INCOME TAX RETURNS

DAYTON, OHIO – Cleo A. Colter, 50, of, Dayton, Ohio was sentenced to ten months in prison and ordered to pay \$115,477 in restitution to the Internal Revenue Service (IRS) for willfully aiding and assisting in the preparation and filing of fraudulent federal income tax returns with the IRS. Colter previously pleaded guilty to this charge on July 11, 2103.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service, Criminal Investigation, Cincinnati Field Office announced the sentence handed down today by U.S. District Judge Timothy S. Black.

According to court documents, Colter was involved in a tax preparation service where she prepared false federal income tax returns for hundreds of clients. She intentionally inflated some clients' income on Form Schedule C, Profit or Loss from Business (Sole Proprietorship) in order to maximize unauthorized tax refunds generated largely through the use of Earned Income Tax Credits.

Colter prepared and filed 27 income tax returns during the 2008-2011 income tax years, approximately \$376,042 in false business income was claimed, resulting in approximately \$115,477 in false federal income tax refunds.

"The tax return preparer industry is at the dawn of a new era of accountability," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "With new rules regulating the industry, tax preparers who prepare fraudulent tax returns will stand out even more. This sentence is a reminder that all tax professionals have to respect the law and protect the interests of their clients and the taxpaying public."

Assistant United States Attorney Dwight Keller is representing the United States in this case that was investigated by special agents of IRS-Criminal Investigation.

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