



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Detroit, MI
Jarod Koopman, Special Agent in Charge

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FLINT TAX RETURN PREPARER SENTENCED FOR AIDING & ASSISTING IN PRESENTING FALSE TAX RETURNS

Detroit - A resident of Flint, Michigan, was sentenced on October 16, 2014 for aiding and assisting in the preparation and filing of fraudulent tax returns with the Internal Revenue Service, United States Attorney Barbara McQuade announced today. McQuade was joined in the announcement by Jarod Koopman, Special Agent in Charge of the Internal Revenue Service, Criminal Investigation.

Charles Sanders, III, pleaded guilty in June 2014 and was sentenced by United States District Judge Terrence G. Berg sentenced to a term of 10 months' imprisonment to be followed by 5 months custody in a community correctional facility and 1 year of supervised release. Sanders was also ordered to pay restitution to the Internal Revenue Service in the amount of \$242,052.00

At the time of Sanders guilty plea he admitted that he owned and operated SBC Tax Service Corporation, a return preparation business in Flint, Michigan and falsely held himself out to be a Certified Public Accountant. For the tax years 2008 and 2009, Sanders prepared over 200 individual income tax returns, along with their accompanying schedules that were then submitted to the Internal Revenue Service. An audit of at least 36 of the return he filed for 2008 and 2009 contained false and fraudulent information regarding material matters such as Federal fuel tax payments, medical deductions, personal and real property tax deductions, mortgage interest, charitable contributions and unreimbursed employee expenses. These false items resulted in higher refund payments to Sanders' clients resulting in a tax loss to the United States of approximately \$200,000.

"A CPA is someone that has had extensive training in accounting and tax and has passed an exam that demonstrates their skills and abilities. As a society we rely on these designations when choosing a professional whether it be a doctor, attorney or accounting professional. By falsifying his credentials, Sanders led his clients to believe that they could trust him to prepare correct tax returns on their behalf. Instead, he filed false returns, defrauding the government in order to increase his income," said Special Agent in Charge Koopman.

The case was investigated by special agents of the IRS Criminal Investigation Division.

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