



PRESS RELEASE

**Internal Revenue Service - Criminal Investigation
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Date: January 22, 2014

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CI Release #: LAFO-2014-02

Former Palmdale Man Sentenced to Federal Prison for Tax Fraud and Identity Theft Scheme

Los Angeles – Appearing before United States District Judge Manuel L. Real, a former Palmdale resident was sentenced today to 65 months imprisonment for using stolen identities to conduct a tax refund fraud scheme.

Jerry Anthony Gregoire, Jr., 47, was further ordered by Judge Real to pay restitution in the amount of \$140,205 to the Internal Revenue Service and to spend one year on supervised release following his prison sentence. Gregoire was immediately remanded into the custody of the United States Marshals.

According to documents filed with the court, Gregoire was convicted in October of 2013, following a jury trial, of six counts of making false claims to the government, six counts of theft of government property, and one count of aggravated identity theft. The charges arose from Gregoire's use of other individuals' identities to file fraudulent tax returns in order to obtain unwarranted tax refunds for his own benefit.

According to the government's sentencing papers, Gregoire's filing of the fraudulent returns and cashing of the resulting refund checks with respect to the counts of conviction resulted in a loss to the government of \$57,756. The government identified 62 additional false returns filed by Gregoire, resulting in an additional loss of \$236,731, for a total attempted loss amount of \$294,487.

The evidence presented at trial showed that Gregoire filed fraudulent 2009 and 2010 federal income tax returns in the names of other individuals using the victim taxpayers' true names and Social Security numbers without the victim taxpayers' knowledge or consent.

The victims who testified at trial were primarily attorneys practicing in the Los Angeles area who had practiced at law firms that used the same malpractice insurance carrier. Evidence presented at trial further showed that during the search of the defendant's residence in 2012 by law enforcement personnel, numerous items pertaining to the victims were seized--including forms listing the attorney victims' names, birthdates, and Social Security numbers that may have been taken from the malpractice insurance carrier.

According to the government's sentencing papers and evidence presented at trial, the returns contained false information regarding the victim taxpayers' residence addresses, incomes, expenses, and deductions, and claimed that the victim taxpayers were entitled to the tax refunds. The returns directed the IRS to deposit the refunds to a prepaid debit card account controlled by Gregoire. The false returns were either mailed or electronically transmitted to the IRS.

When the company administering the account rejected the refunds, Gregoire cashed the checks at Los Angeles area check cashing businesses, by presenting fraudulent corporate records that made it appear as if he was doing business in the victims' names.

The investigation and prosecution of Gregoire was conducted by IRS Criminal Investigation and the Treasury Department's Office of Inspector General for Tax Administration, in conjunction with the Tax Division of the United States Attorney's Office in Los Angeles.

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