



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Cincinnati Field Office
Special Agent in Charge Kathy A. Enstrom

Date: Friday, January 30, 2015

Contact: Craig Casserly
IRS – Criminal Investigation
401 N. Front Street
Columbus, Ohio 43215
(614) 744-3130
Craig.casserly@ci.irs.gov
CI Release #: CINFO-2015--04

SECOND INCOME TAX PREPARER SENTENCED IN INCOME TAX REFUND FRAUD CONSPIRACY

COLUMBUS, OHIO – Shacretta Williams, 38, of Cincinnati, Ohio, was sentenced to 24 months in prison, three years of supervisory release, and ordered to pay \$748,843.80 in restitution to the Internal Revenue Service (IRS) for conspiring to file false claims for income tax refunds with the IRS. Williams previously pleaded guilty to this charge on September 30, 2014.

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 Susan J. Dlott.

According to court documents, between January 2011 and March 2011, Shacretta Williams conspired with Ruth Benton and others to prepare and file false claims for income tax refunds with the IRS by filing false income tax returns for the 2010 tax year. Williams and Benton previously worked together at several different tax preparation businesses in Cincinnati, Ohio, including Jackson Hewitt, Ohio Instant Tax, and Your Tax Service.

Williams and Benton began preparing and filing false claims for income tax refunds as employees at Jackson Hewitt. At Jackson Hewitt, they created fictitious Forms W-2 and included non-qualifying children as dependents in order to maximize the Earned Income Tax Credit and the Additional Child Tax Credit.

At Ohio Instant Tax, Williams and Benton modified their scheme from Jackson Hewitt to also include false self-employment income on Forms Schedule C, Profit or Loss from Business.

At Your Tax Service, which Benton owned and Williams worked, they prepared and filed false claims by not only including false dependents and self-employment income, but by also claiming fictitious qualifying education expenses in order to receive the refundable education tax credits.

In addition, Williams prepared false federal income tax returns that contained fraudulent information such as Forms W-2, self-employment income and education expenses, which resulted in the issuance of income tax refunds that she knew were greater than which her clients were entitled.

After an income tax return had been accepted by the IRS and the income tax refund was issued, Williams called her clients to come into the office to pick up their income tax refund checks. When the clients arrived, Williams or another employee at Your Tax Service escorted the clients to a local check cashing business. After the income tax refund check was cashed, Williams or the employee would take a portion of the client's income tax refund in cash, even though the \$310 return preparation fee had already been deducted from the client's income tax refund check. The remaining amount of the income tax refund was then given to the clients.

As part of the conspiracy for the 2010 tax year, Williams, Benton and others prepared and filed at least 260 false claims for income tax refunds with the IRS. Williams caused her clients to either receive income tax refunds for which they were not entitled, or to receive falsely inflated income tax refunds.

In total, the intended tax loss to the IRS associated with this conspiracy was \$1,088,931. For the purpose of restitution, the tax loss to the IRS was \$748,843.80

On October 7, 2014 Ruth Benton, 37, of Cincinnati, Ohio, was sentenced to serve 27 months in prison, 3 years of supervised release, and ordered to pay \$748,843.80 in restitution to the IRS for conspiring to submit false claims for federal income tax refunds with IRS

Kathy A. Enstrom, Special Agent in Charge, Criminal Investigation, Cincinnati Field Office said, "The object of this refund fraud scheme was to swindle the government and the taxpaying public. We will continue to partner with the U.S. Attorney's Office and investigate the criminals who engage in such brazen and fraudulent conduct."

This case was prosecuted by Assistant United States Attorney Jessica W. Knight and was investigated by special agents of IRS-Criminal Investigation.

###