



2012

# Identity Theft Tax Fraud

IRS Criminal Investigation  
Refund Crimes  
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# Internal Revenue Service Criminal Investigation Office of Refund Crimes

***Mission:** To support the CI mission by identifying and developing criminal tax schemes for the purpose of referring and supporting high-impact criminal tax and related financial investigations.*

# Tax Refund Identity Theft

- Occurs when someone uses your personal information without your permission to commit tax fraud.
- In the context of tax crimes, Title 18 U.S.C Section 1028 may be applied when a defendant steals another person's identity for the purpose of falsely representing their identity to the IRS.

# National Sweep

- Week of January 23, 2012
- Results:
  - 105 people in 23 states
  - 80 complaints/indictments and informations
  - 58 arrests
  - 10 guilty pleas entered
  - 4 sentencings

## Identity Theft Cases Criminal Investigation Activity January 2012



For more information, you can go to: [www.irs.gov/identitytheft](http://www.irs.gov/identitytheft)



## QRP Identity Theft Statistics

|  | FY 2012<br>(as of April 30,<br>2012) | FY 2011 | FY 2010 |
|--|--------------------------------------|---------|---------|
| <b>Investigations Initiated</b>        | 444                                  | 276     | 224     |
| <b>Prosecution<br/>Recommendations</b> | 254                                  | 218     | 147     |
| <b>Indictments/Informations</b>        | 246                                  | 165     | 94      |
| <b>Sentenced</b>                       | 70                                   | 80      | 45      |
| <b>Percent to Prison</b>               | 92.9%                                | 100.0%  | 88.9%   |
| <b>Avg. Months to Serve</b>            | 44                                   | 44      | 41      |



# Example of ID Theft Schemes

On July 29, 2011, in Chicago, Ill., Marvin Berkowitz, a former Chicago resident who lived in Israel, was sentenced to 220 months in prison, ordered to pay \$10,232,800 in restitution to the IRS and various states and to forfeit \$5 million.



# Examples of ID Theft Schemes

On May 8, 2012, in Montgomery, Ala., Veronica Dale and Alchico Grant, who jointly ran a stolen identity refund fraud ring that attempted to defraud the United States of millions of dollars over several years, were sentenced to prison. Veronica Dale, of Montgomery, was sentenced to 334 months in prison and Alchico Grant, of Lowndes County, Ala., was sentenced to 310 months in prison. Dale and Grant were both ordered to pay over \$2.8 million in restitution to the IRS.