



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Virginia Couple Convicted of Conspiracy, Tax Crimes and Fraud**

A Bedford, Virginia couple was convicted today in the U.S. District Court for the Western District of Virginia of theft of government funds and other federal crimes, announced Acting Deputy Assistant Attorney General Larry J. Wszalek of the Justice Department's Tax Division and U.S. Attorney Anthony P. Giorno of the Western District of Virginia.

Edgar and Contina Foxx were convicted by a federal jury after a four-day trial. In addition to the theft of government funds charge, Edgar Foxx was convicted of one count of making a false 2008 tax return and three counts of failure to file a tax return and Contina Foxx was convicted of one count of providing false statements for federal health care program benefits.

According to the indictment, during the years 2008, 2009, 2010 and 2011, Edgar Foxx transported and sold scrap metal which resulted in gross receipts in excess of \$500,000. The jury found that Edgar Foxx filed a false 2008 joint individual income tax return, which failed to report to the Internal Revenue Service (IRS) significant amounts of income he earned that year. For the tax years 2009 through 2011, Edgar Foxx did not file any individual income tax returns. The jury found as charged in the indictment that Edgar and Contina Foxx misrepresented or failed to report income to the Social Security Administration (SSA) in order to qualify to receive Medicaid benefits which resulted in their unlawful receipt of social security benefits for the years 2010 through 2012. Contina Foxx was further convicted of making false statements to the Department of Health and Human Services in the application for benefits involving Medicaid by underrepresenting her total household income.

Sentencing is scheduled on Feb. 23, 2016, before U.S. District Judge Norman K. Moon of the Western District of Virginia, who presided over the trial. Edgar and Contina Foxx face a statutory maximum sentence of 10 years in prison and a fine of up to \$250,000 for the theft of government funds charge. Edgar Foxx also faces a statutory maximum of one year in prison and a fine of up to \$100,000 for each failure to file charge and three years in prison and a fine of up to \$250,000 for the false return charge. Contina Foxx faces a statutory maximum of five years in prison and a fine of up to \$250,000 for the false statements for federal health care program benefits charge.

Acting Deputy Assistant Attorney General Wszalek and U.S. Attorney Giorno commended special agents of IRS-Criminal Investigation, special agents of the Office of Inspector General for SSA and special agents of the Office of Inspector General for the Department of Health and Human Services, who investigated the case and Assistant U.S. Attorneys Patrick Hogeboom and Charlene Day of the Western District of Virginia and Trial Attorney Joseph M. Giannullo of the Tax Division, who prosecuted the case.

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