



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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Texas Resident Convicted of Tax Fraud

Manager of North Carolina Tax Preparation Business Underreported Net Profits

A Fulshear, Texas, woman was convicted yesterday in the U.S. District Court for the Southern District of Texas, after a four-day trial, of three counts of filing false federal tax returns and one count of corruptly endeavoring to obstruct the Internal Revenue Service (IRS), announced Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division.

According to the evidence presented at trial, Tamny Denise Westbrooks, 52, was the day-to-day manager of JATS Tax Service, a tax preparation business located in Charlotte, North Carolina. Westbrooks, who worked for JATS as an independent contractor, underreported her net profits by inflating her business expenses for tax years 2007, 2008 and 2009. She also obstructed and impeded the IRS by filing false tax returns for herself and others and by paying workers in cash while failing to file the required W-2 or 1099 forms reporting their compensation.

U.S. District Judge Ewing Werlein Jr. of the Southern District of Texas set Westbrooks' sentencing for March 18, 2016. Westbrooks faces a statutory maximum sentence of three years in prison and a fine of up to \$250,000 for each count of conviction.

Acting Assistant Attorney General Ciralo commended special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorneys Sean P. Beaty and Mara A. Strier of the Justice Department's Tax Division, who are prosecuting the case. Acting Assistant Attorney General Ciralo also thanked the U.S. Attorney's Office of the Southern District of Texas for their substantial assistance.

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