



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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Contact: *CI-HQ-COMMUNICATIONSEDUCATION@ci.irs.gov
IRS – Criminal Investigation

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North Carolina Man Pleads Guilty in Tax Refund Fraud Scheme

A Raleigh, North Carolina, man pleaded guilty today to one count of conspiracy to commit theft of public money and one count of theft of public money, Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division and Acting U.S. Attorney John Stuart Bruce for the Eastern District of North Carolina announced.

According to court documents, in 2011 and 2012 Wilfredo Acosta Hidalgo, 47, conspired with check cashers to cash U.S. Treasury refund checks issued as a result of fraudulently-filed income tax returns. Hidalgo provided the check cashers with U.S. Treasury checks issued to third-parties in whose name the fraudulent returns were filed. The check cashers deposited the U.S. Treasury checks into their business bank accounts and provided Hidalgo with cash equal to the value of the U.S. Treasury checks, less a check-cashing fee. The third-party payees were not present when the Treasury checks were cashed.

Hidalgo faces a statutory maximum sentence of five years in prison for the conspiracy charge and 10 years in prison for the charge of theft of public funds. In his plea agreement, he has agreed to pay restitution to the United States in the amount of \$4,280,871. Hidalgo's sentencing has not been scheduled.

Acting Assistant Attorney General Ciralo and Acting U.S. Attorney Bruce commended special agents of IRS-Criminal Investigation, who investigated the case, and Trial Attorneys Lauren Castaldi and Nathan Brooks of the Tax Division, who are prosecuting the case.

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