



# PRESS RELEASE

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

Date: Feb. 24, 2016

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IRS – Criminal Investigation

CI Release #: CI-2016-02-24-A

### **Alabama Resident Sentenced to Prison for Involvement in Stolen Identity Tax Refund Fraud Scheme**

*Conspired with Others, Including Her Son, to Claim Fraudulent Tax Returns Claiming More Than \$4 Million in Tax Refunds Using Stolen Names and Social Security Numbers*

An Alabama woman was sentenced today to serve 51 months in prison for her role in a stolen identity refund fraud (SIRF) conspiracy, Acting Assistant Attorney General Caroline D. Ciraolo of the Justice Department's Tax Division and U.S. Attorney George L. Beck, Jr. of the Middle District of Alabama announced.

According to court documents and evidence presented at the sentencing hearing, between 2007 and 2012, Pamela Ann Smith, 56, of Lanett, Alabama, led a large-scale SIRF scheme from her tax preparation business, Jaycal Tax Service, in Phenix City, Alabama. Smith recruited her son, Calvin Perry and his friend, Ernest Simmons Jr., to participate in the scheme. As part of the conspiracy, Smith, Perry and Simmons opened multiple bank accounts and post office boxes. They filed more than 1,200 federal income tax returns using the stolen personal identification information of actual individuals, which included their names and social security numbers. The tax returns filed by Smith and her co-conspirators sought more than \$4 million in fraudulent refunds from the Internal Revenue Service (IRS). U.S. Treasury checks were mailed to physical addresses and post office boxes under Smith's control and subsequently deposited into multiple bank accounts controlled by Smith, Perry and Simmons. Smith personally received more than \$300,000 from this scheme.

Smith pleaded guilty in November 2015 to one count of conspiracy to defraud the government with respect to filing false income tax refund claims and one count of aggravated identity theft. Perry and Simmons also pleaded guilty in December 2015 for their involvement in this SIRF scheme and are scheduled to be sentenced in April.

In addition to the prison term, U.S. District Judge John Antoon, II ordered Smith to serve three years of supervised release and pay restitution in the amount of \$340,057.

Acting Assistant Attorney General Ciraolo and U.S. Attorney Beck commended special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorneys

Gregory P. Bailey, Michael C. Boteler and Robert J. Boudreau of the Tax Division and Assistant U.S. Attorney Jonathan Ross of the Middle District of Alabama, who prosecuted the case.

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