



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Special Agent in Charge Kathy A. Enstrom*

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LOCAL WOMAN TIED TO \$1.1 MILLION INCOME TAX REFUND SCAM PLEADS GUILTY

Eight related co-conspirators have also been charged in this scheme

COLUMBUS – Erica A. Ballantine, 44, of Columbus, Ohio pleaded guilty to one count of conspiracy to submit false claims for federal income tax refunds with the Internal Revenue Service (IRS). Ballantine faces a maximum of 10 years in prison and a \$250,000 fine.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office, announced the guilty plea entered before U.S. Magistrate Judge Elizabeth Preston Deavers.

According to court documents, between May 2009 and August 2010, Ballantine devised and implemented a scheme to submit false claims for income tax refunds with the IRS along with her co-conspirators.

The co-conspirators, Kimberly R. Wallace, 51, of, Dennison, Ohio; Kenneth L. McDonald, 26, of Reynoldsburg, Ohio; Javon C. Brown, 44, of Columbus, Ohio; Nikkia D. Jackson, 36, of Columbus, Ohio; Tyrone J. Palmer, 34, of Columbus, Ohio; Debra L. Taylor, 59, of Columbus, Ohio; Keyland D. Whitby, 25, of Columbus, Ohio; and Tyrone L. Woody, 27, of Columbus, Ohio were indicted for their roles in this scheme on April 15, 2014 and are scheduled to appear in court on May 8, 2014. An indictment is merely an allegation and none of these co-conspirators have been convicted.

The scheme involved electronically filing false federal individual income tax returns with the IRS for the 2008 and 2009 income tax years. Each of the false income tax returns was filed with a false Form W-2 in which the wages and income tax withholdings were false. The individuals listed on the false Forms W-2 either never worked for the purported employers or their wages and withholdings were grossly inflated. The false Forms W-2 qualified the individuals listed on the false income tax returns for income tax refunds for which they were not entitled to receive.

Each of the co-conspirators actively recruited individuals from the public to willingly provide their personal identifying information for use in the scheme. Successfully paid false claims for income tax refunds were split among the individuals who provided their personal identifying information, the co-conspirators who recruited those individuals, and the co-conspirators who submitted the false claims for income tax refunds.

Ballantine electronically submitted approximately 290 false claims for income tax refunds with the IRS claiming a total of approximately \$1,135,999 in false income tax refunds. Ballantine requested that the false income tax refunds be paid into bank accounts she controlled.

“Individuals who commit refund fraud and steal from the U.S. government with this degree of trickery, dishonesty and deceit, deserve to be punished to the fullest extent of the law,” said Kathy A. Enstrom, Acting Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office.

This case is being prosecuted by Assistant United States Attorney Daniel Brown and was investigated by special agents of IRS-Criminal Investigation.

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