



PRESS RELEASE

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

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ROSS COUNTY WOMAN INDICTED IN \$1 MILLION EMPLOYMENT TAX SCHEME

COLUMBUS, OHIO -- A federal grand jury here has indicted Abigail S. Patches, 44, of Chillicothe, Ohio charging her with nine counts of failing to account for and pay over employment taxes to the Internal Revenue Service (IRS).

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 indictment returned today.

According to the indictment, between January 2008 and January 2011 Patches operated Preferred Staffing of Ohio, LLC, a staffing company that paired employees with client-employers in Ross County Ohio. Patches failed to truthfully account for and pay over to the IRS federal income taxes and F.I.C.A. taxes (which include Social Security tax and Medicare tax) that were withheld from the compensation of Preferred Staffing employees.

Patches failed to account for and pay over approximately \$1,088,894.60 in employment taxes to the IRS during the 2008 through 2010 income tax years.

Failing to account for and pay over employment taxes to the IRS carries a maximum penalty of 5 years in prison and a fine of up to \$250,000.

"Business owners have a responsibility to withhold income taxes for their employees and then remit those taxes to the Internal Revenue Service," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "Employment tax fraud can also impact employees, who may see future benefits such as Social Security, Medicare or Unemployment Compensation reduced or eliminated because of their employers not complying with the law."

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

An indictment merely contains allegations, and the defendant is presumed innocent unless proven guilty in a court of law.

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