



PRESS RELEASE

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

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Contact: Craig Casserly
IRS – Criminal Investigation
401 N. Front Street
Columbus, Ohio 43215
(614) 744-3130
Craig.casserly@ci.irs.gov
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LOCAL WOMAN PLEADS GUILTY IN FALSE INCOME TAX REFUND SCHEME

DAYTON, OHIO -- Petrona Penn, 37, of Dayton, Ohio pleaded guilty to one count of filing false claims for income tax refunds with the Internal Revenue Service (IRS). Penn faces a maximum of 5 years in prison and a fine of up to \$250,000.

Benjamin C. Glassman, Acting 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 Sharon L. Ovington.

According to court documents, between January 2010 and February 2011 Penn filed false claims for income tax refunds with the IRS. Penn prepared income tax returns for neighbors, acquaintances and others referred to her that contained fraudulent information, including false Form W-2 information, false dependent information, and/or false Schedule C (Business Profit & Loss) income. By filing income tax returns that contained this false information, Penn caused the IRS to issue fraudulently inflated income tax refunds.

Penn diverted a substantial portion of the fraudulently inflated income tax refunds into bank or debit card accounts that she controlled. Penn had a substantial portion of these fraudulently inflated income tax refunds electronically deposited onto prepaid debit cards that were in her name and the names of others (who were unaware that she had used their names). Penn then caused these prepaid debit cards to be delivered to her residences or addresses associated with her in the Dayton, Ohio-area. Penn also diverted a portion of the fraudulent inflated income tax refunds into her personal bank account.

In total, Penn filed approximately 44 fraudulent income tax returns for tax years 2008, 2009, 2010 and 2011, causing an intended loss to the IRS in the amount of \$290,894, and an actual loss to the IRS in the amount of \$258,475.27.

Penn was released on bond pending sentencing. Sentencing has been set for June 23, 2016.

"The prosecution this defendant is a vital element in maintaining public confidence in our tax system. We should not expect the honest taxpayer to foot the bill for those who circumvent the system to avoid paying their fair share," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office.

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

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