



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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New Jersey Resident Pleads Guilty to Theft of Public Money *Sought Fraudulent Refunds by Making Fake Tax Payments*

A New Jersey man pleaded guilty today in the U.S. District Court for the District of New Jersey in Newark, to one count of theft of public money, announced Acting Deputy Assistant Attorney General Stuart M. Goldberg of the Justice Department's Tax Division.

According to information and documents presented to the court, from approximately December 2010 through April 2014, Derrick M. Madison, 39, of Jersey City, New Jersey, used the Internal Revenue Service's (IRS) telephone payment system hundreds of times in an effort to make fake payments to a taxpayer account he controlled from bank accounts that were closed, frozen or had minimal balances. The goal was to induce the IRS to fully credit these fake payments and then for the IRS to "refund" Madison for his overpayments. On one occasion, the IRS issued Madison a \$170,681 refund check, which he deposited into his bank account.

Sentencing is scheduled for June 12. Madison faces a statutory maximum sentence of 10 years in prison, a period of supervised release, restitution and monetary penalties.

Acting Deputy Assistant Attorney General Goldberg thanked special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorneys Eric Powers and Jeffrey Bender of the Tax Division, who are prosecuting the case.

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