



PRESS RELEASE

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IRS – Criminal Investigation

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Former New York Resident Pleads Guilty to Filing Fraudulent Tax Returns

Caused IRS Losses of More than \$1.2 Million

A former resident of Poughkeepsie, New York, pleaded guilty today in U.S. District Court in the Southern District of New York to filing fraudulent tax returns for others and for himself, announced Acting Deputy Assistant Attorney General Stuart M. Goldberg of the Justice Department's Tax Division and Acting U.S. Attorney Joon H. Kim for the Southern District of New York.

"Just about a week ago, many Americans did their civic duty and sent off their returns to the IRS, enclosing checks for taxes duly owed," said Acting Deputy Assistant Attorney General Goldberg. "They have the right to expect that those like Damyon Shuler who threaten the integrity of the tax system by preparing fraudulent returns and submitting false refund claims will be fully prosecuted."

"Damyon Shuler stole from the U.S. Treasury by preparing and filing false tax returns," said Acting U.S. Attorney Kim. "We thank our partners at the Justice Department's Tax Division and IRS Criminal Investigations for their work in bringing Shuler's crimes to light."

"People who create and promote fraudulent tax schemes against the United States, will be held accountable," said Special Agent in Charge James D. Robnett of the IRS-CI New York Field Office. Today's guilty plea by Mr. Shuler again emphasizes that IRS-Criminal Investigation will continue their aggressive pursuit of those who would attempt to defraud America's tax system."

According to the Indictment and other documents filed in the case, as well as statements made during the plea proceedings:

Damyon Shuler, 47, pleaded guilty to filing his own fraudulent tax return and filing a fraudulent return on behalf of another taxpayer. Between February 2010 and March 2011, Shuler approached relatives and others and told them that he could claim slave reparations on their behalf by filing tax returns with the IRS, for which he charged a \$4,000 to \$5,000 fee. Shuler then filed 30 returns with the IRS on behalf of other taxpayers, claiming bogus refunds of between \$48,184 and \$61,300 on each return. To generate the fraudulent refunds, Shuler reported fake capital gains income and taxes paid on that income in the exact same amount. He also attached to each return a form falsely reporting that a Treasury Department office or program identified as “Overpayment of Black Invest Taxes” had paid the taxes to the IRS. To conceal that he prepared these returns, Shuler did not list himself as the preparer. Shuler also filed a fraudulent 2009 income tax return for himself claiming a refund of \$46,685 based on the same scheme. In total, Shuler’s fraudulent refund scheme led to losses of more than \$1.2 million.

Sentencing is scheduled for Sept. 14. Shuler faces a statutory maximum sentence of three years in prison for each count of filing a fraudulent return, a period of supervised release, restitution and monetary penalties.

Acting Deputy Assistant Attorney General Goldberg and Acting U.S. Attorney Kim praised the outstanding work of special agents of IRS–CI, who conducted the investigation, and Assistant Chief Andrew J. Kameron of the Tax Division and Assistant U.S. Attorney Olga I. Zverovich, who are prosecuting the case.

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