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Acting United States Attorney Lawrence G. Brown
Eastern District of California

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SHASTA COUNTY TAX-RETURN PREPARERS ARRESTED FOR CASHING REFUND CHECKS OF VICTIM TAXPAYERS

SACRAMENTO, Calif.—Acting U.S. Attorney Lawrence G. Brown announced today that SHANNON ELAINE FORD, 32, and MICHAEL JOSEPH FORD, 31, of Redding, Calif, were arrested this morning for felony criminal offenses related to the filing of false tax returns.

This case is the product of extensive investigation by the Internal Revenue Service, Criminal Investigation Division and the Department of Treasury, Office of the Inspector General for Tax Administration.

According to Assistant United States Attorney Michelle Rodriguez, who is prosecuting the case, SHANNON FORD is charged by federal complaint with conspiracy, 34 counts of filing false tax returns, 17 counts of bank fraud, and aggravated identity theft. Also, MICHAEL FORD is similarly charged by federal complaint with conspiracy, five counts of filing false tax returns, and seven counts of bank fraud.

The complaint alleges that the couple, who operated a tax return preparation business, recruited victim taxpayers with promises of large returns. Thereafter, the couple filed over 34 tax returns with, unbeknown to their victim clients, false Schedule C forms relating to income from nonexistent small businesses. The complaint also alleges that the couple misdirected federal and state tax return checks to their own personal bank and credit union accounts. The alleged fraudulent tax returns filed by the FORDs claimed more than \$159,00 in false refunds. The scheme operated from March 2004 to March 2007 and involved more than 20 victim taxpayers.

The FORDs are scheduled to make an initial appearance today on the complaint at 2:00 PM before U.S. Magistrate Judge Dale A. Drozd.

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