

For Immediate Release  
September 26, 2011

**ALBUQUERQUE TAX PREPARER PLEADS**  
**GUILTY TO FEDERAL TAX CHARGE**

ALBUQUERQUE – On September 23, 2011, Albuquerque tax preparer **Kenneth Sandoval**, 47, pled guilty to making a false claim against the United States under a plea agreement with the United States Attorney's Office. At sentencing, Sandoval faces a maximum sentence of five years imprisonment to be followed by up to three years of supervised release. Under the terms of the plea agreement, Sandoval also will be banned for life from preparing or assisting in the preparation of tax returns, except for his own personal returns. Sandoval remains on release under pretrial supervision pending his sentencing hearing, which is scheduled for December 20, 2011.

United States Attorney Kenneth J. Gonzales said that Sandoval was indicted on December 3, 2009, and charged with seven counts of making false claims in federal corporate tax returns he prepared for three of his business clients. According to the indictment, the tax returns were false and fraudulent in that they incorporated fuel and telephone excise tax credits to which the businesses were not entitled. Counts 1 through 3 of the indictment charged Sandoval with preparing three fraudulent federal tax returns for Go Tents, Inc., that claimed tax refunds in the aggregate amount of \$222,486. Counts 4 through 6 charged Sandoval with three preparing fraudulent federal tax returns for Titan Communications that claimed tax refunds in the aggregate amount of \$307,171. Count 7 charged Sandoval with preparing a fraudulent tax return for Chris, Inc., that claimed tax refund of \$23,850.

During his plea hearing in Albuquerque federal court, Sandoval entered a guilty plea to Count 4 of the indictment which charged him making a false claim against the United States. In

his plea agreement, Sandoval admitted that he engaged in preparation of personal and corporate tax returns for a number of years, and that his corporate clients included Titan Communications. Sandoval further admitted that in March 2006, he filed a tax return for Titan Communications in which he falsely claimed that Titan Communications was entitled to a tax credit of \$139,021 for excise taxes paid on fuels that had been used for non-taxable purposes. To support the excise tax credit, Sandoval falsely claimed that Titan Communication had used 102,761 gallons of gas for off-highway business use and 492,465 of diesel fuel for nontaxable purposes in tax year 2005. Sandoval admitted that, in tax year 2005, Titan Communications was entitled to a fuel excise tax credit of only \$11,658.11, less than 10% of the tax credit falsely claimed in the tax return prepared by Sandoval.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division, and is being prosecuted by Assistant United States Attorney Jonathon M. Gerson.

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