

FILED
UNITED STATES DISTRICT COURT
DISTRICT OF NEW MEXICO

IN THE DISTRICT COURT OF THE UNITED STATES 12 JAN 18 PM 2:19 *BL*

FOR THE DISTRICT OF NEW MEXICO

CLERK-LAS CRUCES

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 DOUGLAS J. KUESTER,)
)
 Defendant.)

CRIMINAL NO. 12-96
Counts 1-15: 18 U.S.C. §§ 287 and 2:
False Claims
Counts 16-28: 18 U.S.C. § 1343: Wire
Fraud
Counts 29-41: 18 U.S.C. §§ 1028A(a)(1),
(c)(5): Aggravated Identity Theft

INDICTMENT

The Grand Jury charges:

Introduction

At times relevant to this Indictment:

1. The defendant, **DOUGLAS J. KUESTER**, resided in Grant County, New Mexico, within the District of New Mexico.
2. Between 2007 and 2010, the defendant, **DOUGLAS J. KUESTER**, prepared and electronically filed tax returns from his residence in Silver City, New Mexico.
3. A “means of identification” is any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including a name, Social Security number, or date of birth.
4. The Internal Revenue Service (“IRS”) was an agency of the United States Department of the Treasury responsible for enforcing and administering the tax laws of the United States, and collecting taxes owed to the United States.

Counts 1 through 15
(False, Fictitious or Fraudulent Claims)

5. The factual allegations contained in Paragraphs 1 through 4 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

6. On or about each date listed below, within the District of New Mexico, the defendant, **DOUGLAS J. KUESTER**, knowingly made and presented, and caused to be made and presented, to the IRS, a claim against the United States for payment as described below, by preparing and electronically filing a false federal income tax return for each of the individuals whose initials are listed below, for the tax year listed below, wherein a claim for an income tax refund for the amount listed below was made, knowing such claim to be false, fictitious, and fraudulent:

Count	Date of Filing	Individual	Tax Year	Refund Claimed
1	3/8/2007	B.B.	2006	\$5,906
2	1/7/2008	B.B.	2007	\$9,397
3	2/17/2009	B.B.	2008	\$8,781
4	2/9/2007	F.C.	2006	\$4,112
5	8/31/2009	F.C.	2008	\$9,365
6	1/16/2010	F.C.	2009	\$8,743
7	5/5/2007	M.B.	2006	\$9,139
8	2/23/2008	M.B.	2007	\$7,538
9	3/6/2009	M.B.	2008	\$7,538
10	2/13/2010	M.B.	2009	\$9,578
11	1/30/2008	L.C.	2007	\$7,691
12	4/4/2009	L.C.	2008	\$8,458
13	3/1/2010	L.C.	2009	\$9,260
14	6/2/2008	A.G.	2007	\$13,550

Count	Date of Filing	Individual	Tax Year	Refund Claimed
15	2/15/2010	A.G.	2009	\$9,134

All in violation of Title 18, United States Code, Sections 287 and 2.

Counts 16 through 28
(Wire Fraud)

7. The factual allegations contained in Paragraphs 1 through 4 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

8. From in or about February 2007 through in or about March 2010, within the District of New Mexico and elsewhere, the defendant, **DOUGLAS J. KUESTER**, having knowingly and intentionally devised and intended to devise a scheme and artifice to defraud, and to obtain money by means of false and fraudulent pretenses, representations, and promises, caused to be transmitted by means of wire communication in interstate and foreign commerce, communications, signals, and writings, to wit: electronically filed tax returns.

THE SCHEME AND ARTIFICE

9. It was part of the scheme and artifice that the defendant, **DOUGLAS J. KUESTER**, and others both known and unknown to the grand jury, would and did obtain the means of identification of individuals, including their names, dates of birth, and Social Security numbers.

10. It was further part of the scheme and artifice that the defendant, **DOUGLAS J. KUESTER**, would and did use these means of identification to prepare and electronically file and cause to be filed false individual income tax returns and direct tax refunds to be deposited into debit and stored value cards and bank accounts that he controlled or to which he had access.

11. It was further part of the scheme and artifice that the defendant, **DOUGLAS J. KUESTER**, would and did use an electronic device, known as an “anonymizer,” to conceal the location from which he was electronically transmitting tax returns to the IRS.

12. It was further part of the scheme and artifice that the defendant, **DOUGLAS J. KUESTER**, would and did use his and others’ bank accounts for the purpose of receiving the proceeds of the scheme and artifice.

13. It was further part of the scheme and artifice that the defendant, **DOUGLAS J. KUESTER**, would and did obtain and possess debit and stored value cards for the purpose of receiving the proceeds of the scheme and artifice.

THE WIRE COMMUNICATIONS

14. On or about the dates listed below, in the District of New Mexico, the defendant, **DOUGLAS J. KUESTER**, for the purpose of executing the scheme and artifice to defraud, transmitted, and caused to be transmitted, by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds as described for each count below:

Count	Date of Filing	Wire Communication
16	1/7/2008	Electronic Tax Return in the name of “B.B.” claiming a tax refund of \$9,397
17	2/17/2009	Electronic Tax Return in the name of “B.B.” claiming a tax refund of \$8,781
18	2/9/2007	Electronic Tax Return in the name of “F.C.” claiming a tax refund of \$4,112
19	8/31/2009	Electronic Tax Return in the name of “F.C.” claiming a tax refund of \$9,365
20	1/16/2010	Electronic Tax Return in the name of “F.C.” claiming a tax refund of \$8,743

21	2/23/2008	Electronic Tax Return in the name of "M.B." claiming a tax refund of \$7,538
22	3/6/2009	Electronic Tax Return in the name of "M.B." claiming a tax refund of \$7,538
23	2/13/2010	Electronic Tax Return in the name of "M.B." claiming a tax refund of \$9,578
24	1/30/2008	Electronic Tax Return in the name of "L.C." claiming a tax refund of \$7,691
25	4/4/2009	Electronic Tax Return in the name of "L.C." claiming a tax refund of \$8,458
26	3/1/2010	Electronic Tax Return in the name of "L.C." claiming a tax refund of \$9,260
27	6/2/2008	Electronic Tax Return in the name of "A.G." claiming a tax refund of \$13,550
28	2/15/2010	Electronic Tax Return in the name of "A.G." claiming a tax refund of \$9,134

All in violation of Title 18, United States Code, Section 1343.

Counts 29 through 41
(Aggravated Identity Theft)

15. The factual allegations contained in Paragraphs 1 through 4 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

16. On or about the dates listed below, within the District of New Mexico, the defendant, **DOUGLAS J. KUESTER**, did knowingly use the means of identification of other persons without lawful authority during and in relation to the offenses in this Indictment identified as Related Counts below, that is, he knowingly used the names and Social Security numbers of actual persons known to the grand jury, listed by their initials below, to fraudulently obtain tax refunds in the amounts listed below by use of interstate wire communications:

Count	Date of Filing	Related Count	Individual	Refund Amount
29	1/7/2008	16	B.B.	\$9,397

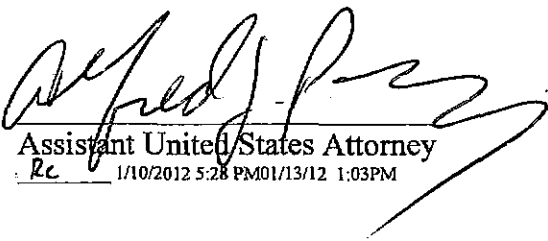
Count	Date of Filing	Related Count	Individual	Refund Amount
30	2/17/2009	17	B.B.	\$8,781
31	2/9/2007	18	F.C.	\$4,112
32	8/31/2009	19	F.C.	\$9,365
33	1/16/2010	20	F.C.	\$8,743
34	2/23/2008	21	M.B.	\$7,538
35	3/6/2009	22	M.B.	\$7,538
36	2/13/2010	23	M.B.	\$9,578
37	1/30/2008	24	L.C.	\$7,691
38	4/4/2009	25	L.C.	\$8,458
39	3/1/2010	26	L.C.	\$9,260
40	6/2/2008	27	A.G.	\$13,550
41	2/15/2010	28	A.G.	\$9,134

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and (c)(5).

A TRUE BILL:

15/

FOREPERSON OF THE GRAND JURY


Assistant United States Attorney
Re 1/10/2012 5:28 PM 01/13/12 1:03PM

Jason Poole
Gregory P. Bailey
Trial Attorneys
United States Department of Justice
Tax Division