



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**BRADLEY J. SCHLOZMAN**

---

Contact Don Ledford, Public Affairs • (816) 426-4220 • 400 East Ninth Street, Room 5510 • Kansas City, MO 64106

[www.usdoj.gov/usao/mow/index.html](http://www.usdoj.gov/usao/mow/index.html)

---

**FEBRUARY 8, 2007  
FOR IMMEDIATE RELEASE**

## **KC MAN PLEADS GUILTY TO FALSE TAX CLAIMS, MORTGAGE FRAUD**

**KANSAS CITY, Mo.** – Bradley J. Schlozman, United States Attorney for the Western District of Missouri, announced today that a Kansas City, Mo., man has pleaded guilty in federal court to claiming personal income tax refunds to which he was not entitled, filing fraudulent corporate income tax returns, and to wire fraud and money laundering as part of a fraudulent mortgage transaction.

**Larry D. Wills**, 50, of Kansas City, pleaded guilty before U.S. District Judge Scott O. Wright on Wednesday, Feb. 7, 2007, to all the charges contained in two federal indictments, which were consolidated into one case.

“As we approach tax season, let this case serve as a powerful reminder that the federal government will be carefully scrutinizing fraudulent tax returns, and is prepared to vigorously prosecute those individuals who endeavor to shirk their tax obligations,” Schlozman said.

**Wills** pleaded guilty to all six counts of the federal indictment related to claiming personal income tax refunds to which he was not entitled and filing fraudulent corporate income tax returns.

**Wills** admitted that he claimed refunds on his personal income tax for the fiscal years 1998 (a claim for \$2,307), 1999 (a claim for \$10,996) and 2000 (a claim for \$22,752). **Wills** knew that the claims were materially false and fraudulent, in that the income and withholdings listed on the returns were not correct.

**Wills** also admitted that he filed fraudulent corporate income tax returns for his business, WB Enterprises, a real estate development firm. Those returns claimed \$288,000 in gross receipts for fiscal year 1996, \$3,296,399 in gross receipts for fiscal year 1998, and \$6,397,704 in gross receipts for fiscal year 1999. This purported income was not in fact earned by WB Enterprises and therefore these statements on the corporate tax returns were known by **Wills** to be false.

**Wills** pleaded guilty to both counts of the federal indictment related to wire fraud and money laundering as part of a fraudulent mortgage transaction.

**Wills** admitted that, aiding and abetting another person, he defrauded New Century Mortgage by submitting false documents with a \$472,500 loan application in connection with the property located at 100 W. Bannister Rd., in Kansas City. Those false documents included a fraudulent W-2 form, several fraudulent pay stubs from WB Enterprises and a fraudulent income tax return for another person. They also included a fraudulent Contract for Deed and a fraudulent payoff letter. On Aug. 14, 2001, **Wills** caused a wire transfer in the amount of \$478,383 to be transmitted from New Century Mortgage's bank account in Minnesota to Chicago Title Insurance Company's bank account in Kansas City.

On Aug. 21, 2001, **Wills**, aiding and abetting another person, engaged in a monetary transaction involving criminally-derived property. **Wills** caused the transfer of funds in the amount of \$352,000 – derived from the wire fraud – from Chicago Title Company's bank account in Kansas City to Countrywide Home Loans, Inc.'s bank account in Los Angeles, Calif.

Under federal statutes, **Wills** could be subject to a sentence of up to 39 years in federal prison without parole. A sentencing hearing will be scheduled after the completion of a presentence investigation by the United States Probation Office.

This case is being prosecuted by Assistant U.S. Attorney David M. Ketchmark. It was investigated by IRS-Criminal Investigation.

\*\*\*\*\*

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at  
[www.usdoj.gov/usao/mow/index.html](http://www.usdoj.gov/usao/mow/index.html)