



U.S. Department of Justice

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FOR IMMEDIATE RELEASE
January 6, 2009

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BATESVILLE WOMAN SENTENCED ON TAX FRAUD CHARGES

Little Rock - United States Attorney Jane W. Duke and Christopher R. Pikelis, Special Agent in Charge for the Nashville Field Office of the Internal Revenue Service (IRS), Criminal Investigation Division, announced that Melba Nelia Lopez, age 31, of Batesville, Arkansas, was recently sentenced to serve 18 months in federal prison. Lopez' term of imprisonment will be followed by one year of supervised release. Chief United States District Judge J. Leon Holmes also ordered Lopez to pay \$95,248.00 in restitution to the IRS.

Lopez' sentence is the result of guilty pleas she entered in June 2008 on two counts of assisting in the preparation of fraudulent income tax returns. During her prior court appearance, Lopez acknowledged that she was the owner and operator of Melba's Tax Office, a tax preparation business in Batesville, Arkansas. Lopez further admitted that on February 14, 2005, she prepared a 2004 federal income tax return for a client that contained materially false items, which generated a larger refund than the client was actually entitled to receive. Additionally, Lopez admitted that in January 2006, she prepared a 2005 federal income tax return for another client that resulted in an overpayment to that client. The amounts claimed in those 2004 and 2005 returns were fraudulently inflated by \$6,534.00 and \$3,472.00, respectively. After preparation, both returns were submitted to the IRS. Lopez admitted that, as a result of her fraudulent conduct, the tax loss to the government was approximately \$95,428.00.

In imposing sentence, Judge Holmes noted that Lopez' conduct was intentional and repetitive. He further explained that he considered the offenses very serious in nature because they constituted theft from the United States Government.

"Individuals who prepare returns for others have a responsibility to file accurate tax returns for their clients," stated Pikelis. "Most tax preparers are honest and provide a valuable service to their customers. However, the IRS will not tolerate dishonest tax preparers, since their fraudulent activities undermine our tax system." Duke added, "This sentence, which comes on the eve of tax season, should serve as a very loud warning to tax preparers throughout this District. Federal authorities are diligently watching for fraud and abuse. And, if we see fraud and abuse, we will take swift and aggressive measures against those who have committed it."

This investigation was conducted by the Internal Revenue Service, Criminal Investigation Division.

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