



Department of Justice

United States Attorney Sally Quillian Yates
Northern District of Georgia

FOR IMMEDIATE RELEASE

08/11/10

<http://www.justice.gov/usao/gan/>

CONTACT: John Horn

(404)581-6335

FAX (404)581-6160

TAX PREPARER SENTENCED FOR BANK FRAUD & FILING FALSE CLAIMS WITH THE IRS

Defendant Deposited More Than 100 Stolen Economic Stimulus Checks & Income Tax Refund Checks

ATLANTA, GA - CYNTHIA ANNETTE ELLIOTT, 44, of College Park, Georgia, was sentenced today by United States District Judge Orinda D. Evans on charges arising out of a scheme to deposit more than 100 economic stimulus checks and income tax refund checks payable to others, all of which were obtained by theft or by filing false claims with the Internal Revenue Service.

ELLIOTT was sentenced to 10 years and one month in prison to be followed by 5 years of supervised release and was ordered to pay \$948,648.72 in restitution. On May 26, 2010, ELLIOTT pleaded guilty to bank fraud and filing false claims with the IRS.

United States Attorney Sally Quillian Yates said of the case, "The federal economic stimulus package is designed to help those who are suffering most from the economic downturn. We're working hard to prevent people like Ms. Elliott who steal from this important program, and to punish them if they do."

Reginald G. Moore, Special Agent in Charge of the United States Secret Service, Atlanta Field Office, said, "This case demonstrates our commitment to protect citizens who failed to receive their refunds and payments, in a timely fashion, which were rightfully due to them as federal taxpayers. We will continue to aggressively pursue, in conjunction with our law enforcement partners, anyone who violates a taxpayer's trust, such as tax preparers or bank employees, to the fullest extent of the law."

"When tax preparers engage in schemes to defraud taxpayers and the government, the taxpayers' faith in the system as well as the reputation of the entire tax preparer community are harmed," said J. Russell George, the Treasury Inspector General for Tax Administration (TIGTA). TIGTA is the Federal agency responsible for investigating allegations concerning paid tax preparers.

IRS-Criminal Investigation Special Agent in Charge Reginael McDaniel said, “The object of this fraudulent refund scheme was to swindle the government and the taxpaying public. It is our hope that today’s sentence will send a strong message that tampering with the integrity of our nation’s tax system can result in jail time.”

According to United States Attorney Yates, the indictment, and other information presented in court: ELLIOTT acquired more than 100 checks belonging to others, including economic stimulus checks and income tax refund checks, knowing that the checks either had been stolen from their rightful owners or had been obtained by filing false claims with the IRS.

In accordance with the 2008 Economic Stimulus Act, individuals who filed a 2007 individual income tax return and met certain eligibility requirements were entitled to receive a one-time rebate or “stimulus payment” from the United States Treasury ranging from \$300 to \$1,200. Taxpayers who did not request direct deposit for their 2007 refund were supposed to receive a paper check by mail. The checks obtained by ELLIOTT, all of which were issued by the United States Treasury, had a total face value of more than \$350,000. Law enforcement agents are continuing to investigate how ELLIOTT was able to steal the stimulus checks before they could reach the proper recipients.

In a related case, LINDA LINDO, 55, of Fayetteville, Georgia, was sentenced on June 16, 2010, by United States District Judge Orinda D. Evans to 2 years in prison to be followed by 5 years of supervised release. On March 26, 2010, LINDO pleaded guilty to a Criminal Information charging her with bank fraud in connection with a scheme to deposit 86 income tax refund checks with a total face value of more than \$480,000, which she obtained from ELLIOTT and another woman who is now deceased. LINDO deposited the checks knowing that they had been obtained by filing false claims with the IRS.

This case was investigated by Special Agents of the United States Secret Service, the Treasury Inspector General for Tax Administration, and the Internal Revenue Service-Criminal Investigation.

Assistant United States Attorneys Russell Phillips and Chris Bly prosecuted the case.

For further information please contact Sally Q. Yates, United States Attorney, or John Horn, First Assistant United States Attorney, through Yvette Comer at (404) 581-6335. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.