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TWO TAX PREPARERS CHARGED IN SEPARATE INDICTMENTS WITH PREPARING MORE THAN 20 FALSE FEDERAL TAX RETURNS

CHICAGO — Two tax preparers associated with a south side tax preparation business were indicted for allegedly preparing more than 20 false federal personal income tax returns, some of which listed false charitable contributions and business expenses and claiming inflated refunds, federal law enforcement officials announced today. The defendants, **Horace Ingram**, 58, and **Lillie Ingram**, 52, both of Chicago, prepared federal personal income tax returns on behalf of clients of a south side tax preparation business. Horace Ingram was charged with 14 counts of advising the preparation of a false return, and Lillie Ingram was charged separately with eight counts of advising the preparation of a false return. Both indictments were returned by a federal grand jury late yesterday, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Alvin Patton, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago.

“Those commercial tax preparers who might be thinking about cheating as they prepare returns for the upcoming filing deadline should think twice or they will face the consequences,” Mr.

Fitzgerald said. “This office is committed to working work with IRS criminal investigation agents to ensure that those who willfully violate federal tax laws are prosecuted.”

Horace Ingram operated Hossman Tax Services, where Lillie Ingram also prepared tax returns in the 5600 block of S. Honore in Chicago, according to the indictment. Both defendants will be arraigned at a date to be determined in U.S. District Court in Chicago.

According to the charges, both Horace Ingram and Lillie Ingram prepared Forms 1040 for 2004, 2005 and 2006 with various inflated deductions and tax credits that reduced their clients’ apparent tax liability and purported to qualify them for refunds to which they were not entitled. Among the alleged false entries were inflated charitable contributions, false education expenses, and false unreimbursed business expenses, including uniform expenses, job supply expenses, and business mileage expenses. In total, the 14 returns prepared by Horace Ingram falsely claimed \$49,518 in refunds, and the eight returns prepared by Lillie Ingram falsely claimed \$47,370 in refunds, the charges allege.

The government is being represented by Assistant U.S. Attorney Mark E. Schneider.

Advising the preparation of a false federal income tax return carries a maximum penalty of three years in prison and a \$250,000 fine. If convicted of tax offenses, a defendant also must pay the costs of prosecution. The Court must impose a reasonable sentence under the advisory United States Sentencing Guidelines.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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