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**U.S. DISTRICT COURT ISSUES TEMPORARY RESTRAINING ORDER
BARRING NEW ROCHELLE MAN FROM PREPARING TAX RETURNS**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced today that the United States filed a civil lawsuit in federal court against EDWARD S. BROCCOLO, individually and doing business as FINANCIAL CENTER OF SOUTH WESTCHESTER, seeking injunctive relief under the Internal Revenue Code. Specifically, the Government is seeking to enjoin BROCCOLO from working as a tax return preparer because of his alleged history of claiming fraudulent education credits on federal income tax returns he prepared for his customers.

According to the complaint filed yesterday by the United States, BROCCOLO- who has operated a tax return preparation business in New Rochelle, New York, since at least 2000- has prepared and/or filed more than 1,500 federal income tax returns for taxpayers containing unsupported and/or fraudulent education expenses under the Hope Scholarship Credit, a program offering a tax credit of up to \$1,500 for post-secondary school tuition and related expenses.

The United States alleges that BROCCOLO's taxpayer clients, some of whom spoke little English, were unaware that he had placed fictitious education expenses in their returns. The complaint states that BROCCOLO charges clients as much as \$750 to prepare tax returns and in at least one case promised a tax refund. The United States further alleges that BROCCOLO's education credit scheme has caused the United States to lose as much as \$4 million in uncollected tax revenue and improperly paid refunds.

On April 11, 2006, United States District Judge KENNETH M. KARAS issued a temporary restraining order barring BROCCOLO from preparing income tax returns for taxpayers while the Government's application for a preliminary injunction is pending. A hearing

before JUDGE KARAS concerning the preliminary injunction motion has been scheduled for April 13, 2006.

BROCCOLO, 56, resides in New Rochelle, NY.

Assistant United States Attorney PIERRE G. ARMAND is in charge of the case.

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