



***United States Attorney
Southern District of New York***

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**MANHATTAN U.S. ATTORNEY ANNOUNCES CHARGES AGAINST
FOUR DEFENDANTS IN CONNECTION WITH FRAUDULENT
TAX REFUND SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, JOHN A. DiCICCO, the Principal Deputy Assistant Attorney General for the Tax Division, Department of Justice, and CHARLES R. PINE, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service, Criminal Investigation Division ("IRS-CID"), announced today that SHAMEL CHARLES, CHARLES PATTERSON, NEKIYA EDWARDS, and AKMELL EDWARDS were charged with participating in a scheme to file fraudulent federal income tax returns using identity information of others, some of which had been stolen, causing the United States to pay more than \$200,000 in false refunds. PATTERSON was also charged with threatening agents of the IRS-CID in connection with the investigation. The defendants were arrested this morning.

According to the Indictment unsealed today in Manhattan federal court:

CHARLES prepared tax returns at a tax preparation business called "420 Multiservices" in Bronx, New York, in 2006. Between 2006 and 2007, CHARLES, 34, PATTERSON, 29, NEKIYA EDWARDS, 32, and AKMELL EDWARDS, 33, all of Bronx, New York, engaged in a scheme to use stolen and other identification information, including names, dates of birth, and Social Security

numbers, to file fraudulent tax returns. The defendants included, among other things, fake dependents, deductions, and expenses on the fraudulent tax returns that they submitted to the IRS. The defendants then opened and maintained bank accounts in their own names and directed the IRS to send the refunds to those bank accounts. They subsequently withdrew the refund proceeds in cash, and distributed the funds among the members of the conspiracy for their own uses. In total, the defendants filed approximately 25 false tax returns, resulting in the payment of over \$200,000 in fraudulent refunds.

According to the Indictment, in March 2008, PATTERSON was approached by agents of the IRS-CID. During that encounter, PATTERSON threatened the agents, stating, among other things, "I know you guys got guns, so what" and "that's why I kill guys like you."

* * *

The defendants are each charged with one count of conspiring to defraud the United States with respect to false and fraudulent claims, which carries a maximum sentence of ten years in prison, and a maximum fine of the greatest of \$250,000, or twice the pecuniary loss or gain derived from the offense. The Indictment also charges CHARLES and PATTERSON with four counts, NEKIYA EDWARDS with three counts, and AKMELL EDWARDS with two counts of making and presenting false and fraudulent claims against the United States, each of which carries a maximum sentence of five years in prison, and a maximum fine of the greatest of \$250,000, or twice the pecuniary loss or gain derived from the offense. Additionally, PATTERSON is charged with attempting to intimidate and impede United States officers and employees through threats of force, which carries a maximum sentence of one year, and a maximum fine of \$100,000.

Mr. BHARARA thanked the IRS and the Department of Justice Tax Division for their efforts in this case.

This prosecution is being handled by the Office's Complex Frauds Unit. Special Assistant U.S. Attorney and Department of Justice Tax Division Trial Attorney JEFFREY L. SHIH is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless or until proven guilty.