



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
March 19, 2007

CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL
PUBLIC INFORMATION OFFICE
(212) 637-2600

BRONX TAX PREPARER CONVICTED IN FEDERAL COURT
FOR FALSE TAX RETURNS SCHEME

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that YAW NKETIA, a/k/a "CAESAR" -- a Bronx tax preparer -- was convicted late Friday, March 16, 2007, of participating in a scheme to defraud the United States by assisting taxpayers in filing false tax returns and making false claims to the IRS. The jury returned a guilty verdict on seven counts of assisting in the filing of false tax returns. As the evidence at trial established:

NKETIA owned and operated a business known as Black Caesar Tax and Brokerage, or Caesar Tax & Brokerage Services, located in the Bronx, New York. The main scheme employed by NKETIA involved putting the names of dead children on his clients' tax returns -- listing them as dependent "foster children" -- to increase the amount of his clients' tax refunds. These clients did not have foster children, and never told NKETIA that they had foster children. NKETIA also falsely inflated and fabricated his clients' personal expenses and deductions, thereby creating thousands of dollars of wholly fictitious expenses and deductions, which served to lower his clients' ultimate tax liabilities. These inflated and fictitious amounts, which related to items such as medical expenses, charitable contributions, and unreimbursed employee expenses, were included on schedules attached to the clients' individual tax returns.

NKETIA's business grew every year from 1998 until 2002, as most clients would get a refund whether entitled to one or not. In 2002, NKETIA filed nearly 4,000 electronic tax returns with the IRS, hundreds of which returns listed "foster children" as dependents. For these years, at least 95% of NKETIA's clients received refunds.

At trial, the Government offered the testimony of eight of NKETIA's former clients, some of whom were aware that NKETIA

was going to put fake dependents on their tax returns. All of the witnesses, however, testified that they did not give NKETIA the fake names, and that they did not know where NKETIA got the names. Several of the "foster children" listed on these witnesses' returns were actually the names and social security numbers of children who had died at a young age.

NKETIA faces a maximum sentence of 21 years' imprisonment.

Mr. GARCIA praised the efforts of the IRS in the investigation and prosecution of this case.

Assistant United States Attorneys WILLIAM C. KOMAROFF and TODD BLANCHE are in charge of the prosecution.

07-64

###