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POSTAL WORKER FOUND GUILTY IN MANHATTAN FEDERAL COURT
OF MULTIMILLION-DOLLAR TAX REFUND
AND THEFT OF MAIL SCHEME

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today that ROBERT ANTHONY WARREN was found guilty following a one-week jury trial in Manhattan federal court for his role in a scheme to fraudulently generate millions of dollars in federal tax refund checks and to steal the checks from the U.S. mail. U.S. Circuit Judge DENNY CHIN presided over the trial.

According to the evidence presented at trial and other documents filed in the case:

WARREN was charged as part of an investigation into a massive tax and mail theft scheme. As part of the scheme, co-conspirators operating out of the Dominican Republic electronically filed thousands of fraudulent federal tax returns, seeking tens of millions of dollars in tax refund. The fraudulent returns were filed using Social Security numbers and other identifying information stolen from residents of the Commonwealth of Puerto Rico. Participants in the scheme targeted Social Security numbers assigned to residents of Puerto Rico because they are generally not required to file federal tax returns with the Internal Revenue Service ("IRS"), so long as their income derives solely from Puerto Rican sources. In this way, the fraudsters minimized the risk that legitimate federal tax returns were already filed by the owners of the Social Security numbers they were using in the scheme.

Each of the tax returns at issue falsely represented that the taxpayer on the return resided at an address in the Bronx, where the refund check requested in the return would be sent. The checks were then collected by mail carriers assigned to the mail routes where the checks were sent. The mail carriers participating in the scheme were paid a kickback for each check they collected. The carriers passed the checks on to other co-conspirators, who cashed them at various banks and check-cashing

businesses located in the United States and the Dominican Republic.

Since 1993, WARREN has been a mail carrier employed by the U.S. Postal Service at Tremont Post Office in the Bronx. He was recruited into the tax scheme in 2007. From July 2007 until May 2008, WARREN collected at least 256 fraudulent refund checks that were sent to his mail route as part of the scheme. He was paid a \$100 kickback for each check that he stole. Each check was worth, on average, close to \$10,000. In all, WARREN helped steal over \$2.5 million worth of fraudulent tax refund checks. He made at least \$25,000 in kickbacks from the scheme.

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WARREN, 46, of the Bronx, New York, is scheduled to be sentenced by Judge CHIN on September 13, 2011, at 10 a.m. He faces a maximum term of 20 years in prison.

Mr. BHARARA praised the work of IRS Criminal Investigation Division, the Federal Bureau of Investigation, the United States Postal Inspection Service, and the United States Postal Service Office of Inspector General, and thanked them for their work in this case.

This case was prosecuted by the Office's Complex Frauds Unit. Assistant U.S. Attorneys SERRIN TURNER, MICHAEL A. LEVY, and DANIEL W. LEVY, are in charge of the prosecution.

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