



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

**FOR IMMEDIATE RELEASE
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**BRONX TAX PREPARER PLEADS GUILTY IN MANHATTAN FEDERAL
COURT TO FILING FALSE TAX RETURNS
FOR CLIENTS AND HERSELF**

PREET BHARARA, the United States Attorney for the Southern District of New York, and PATRICIA J. HAYNES, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service, Criminal Investigation Division ("IRS"), announced that ROSA N. RIVERA pleaded guilty today before United States Magistrate Judge GABRIEL W. GORENSTEIN to preparing a false individual income tax return and to filing a false personal tax return.

According to the Information filed today in Manhattan federal court:

RIVERA owned and operated RNR Tax Service, located in the Bronx, New York, a firm that provided tax return preparation services to clients. Between 2003 and 2006, RIVERA assisted clients in the preparation of false income tax returns that were filed with the IRS. Specifically, RIVERA falsified income tax returns for clients by claiming and itemizing Schedule A deductions and expenses -- such as charitable contributions, medical and dental expenses, and job-related expenses -- that were either fictitious or grossly inflated. RIVERA also falsified Schedule E rental property expenses and losses. RIVERA's scheme to falsify deductions and expenses on her clients' returns resulted in the reduction of taxable income reported by her clients to the IRS and, thus, fraudulently reduced the payment of income taxes lawfully owed to the United

States Treasury. By fraudulently reducing the reported tax liability of her clients, RIVERA was able to generate more business from prospective clients seeking similar assistance in the preparation of federal income tax returns.

RIVERA also pleaded guilty to falsifying her own tax return for the 2005 tax year by failing to report all of the income she earned from her tax return preparation business.

RIVERA is scheduled to be sentenced before United States District Judge DENNY CHIN on January 22, 2010. On each of the two counts to which she plead guilty, RIVERA faces a maximum penalty of three years in prison, a \$250,000 fine or twice the gross gain or loss resulting from the crime, and one year of supervised release.

United States Attorney BHARARA praised the investigative work of the New York Field Office of the Internal Revenue Service, Criminal Investigation Division.

Acting Assistant Attorney General JOHN A. DICICCO of the Justice Department's Tax Division thanked the IRS-Criminal Investigation Special Agents who investigated the case.

Special Assistant United States Attorney JOHN N. KANE, Jr., of the Department of Justice's Tax Division, is in charge of the prosecution.

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