



Department of Justice

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FORMER CHILD CARE BUSINESS OWNER PLEADS GUILTY TO INCOME TAX FRAUD CHARGES

COLUMBUS -- Tina T. Thomas, 42, of Pickerington, Ohio pleaded guilty to a Bill of Information charging her with two counts of willfully filing a false and fraudulent federal income tax return with the Internal Revenue Service (IRS). Thomas faces a maximum prison sentence of three years, a fine of \$100,000, and restitution to the IRS.

Carter M. Stewart, United States Attorney for the Southern District of Ohio; Jose A. Gonzalez, Special Agent in Charge, Internal Revenue Service, Criminal Investigation, Cincinnati Field Office; and Breck Nowlin, Special Agent in Charge, HUD-OIG, Great Lakes Region announced the plea entered before Senior United States District Judge George C. Smith. A sentencing date was set for .

According to court documents, during the 2005 and 2006 income tax years Tina Thomas was the owner/operator of two child care businesses, Smart Kids Learning Center and Creative Kidz Enrichment Center, both of which were located in the Columbus, Ohio area. Thomas established the child care businesses in low-income areas, which were attended by children from low-income household, in order to secure funding through a Franklin County, Ohio subsidy program. This program subsidized the cost of child care for the children from low-income households.

Thomas deposited the business income earned from these businesses into various business bank accounts which she used to finance her personal living expenses. Thomas made purchases with debit cards, performed ATM cash withdrawals, and wrote checks to cash and to herself so that she could live a lavish lifestyle.

On the 2005 and 2006 federal income tax returns filed by Thomas with the IRS, Thomas claimed a combined total of \$37,591 in income, when she actually earned a combined total of \$579,615 in income.

The total tax loss to the IRS was \$160,360.

In addition, Thomas agreed that she will not seek procurement or non-procurement transactions with HUD, the Columbus Metropolitan Housing Authority, or any other Federal department or agency as a contractor or principal for a three year period beginning on the date of her sentencing.

"Honest and law abiding citizens are fed up with the likes of those who use deceit and fraud to line their pockets with other people's money as well as skirt their tax obligations," said Jose A.

Gonzalez, Special Agent in Charge, IRS-Criminal Investigation, Cincinnati Field Office. "Tax crimes have erroneously been referred to as victimless, but that position could not be more wrong since we all end up paying when someone attempts to harm our tax system."

The case is being prosecuted by Assistant U.S. Attorney Daniel Brown and investigated by the IRS Criminal Investigation Division and the HUD Office of Inspector General.

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