

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO.** _____
v. : **DATE FILED:** February 8, 2011
JONATHAN BROWNLEE : **VIOLATIONS:**
: **18 U.S.C. § 287 (false claims to**
: **government agency - 16 counts)**
: **18 U.S.C. § 2 (aiding and abetting)**

INDICTMENT

COUNTS ONE THROUGH SIXTEEN

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment, unless otherwise indicated:

1. The Housing and Economic Recovery Act of 2008 (“HERA”) established a tax credit for first-time home buyers (“FTHBC”) with a maximum value of \$7,500.
2. For first-time home buyers in the United States who purchased homes after April 8, 2008, the FTHBC could be claimed by using Form 5405, which was required to be filed with the homebuyer/taxpayer’s federal income tax return.
3. For homes purchased in 2008, the FTHBC was ten percent of the purchase price of the home, with a maximum available credit of \$7,500 for either a single taxpayer or a married couple filing a joint return, or \$3,750 for married persons filing separate returns.
4. The FTHBC was not available for taxpayers who had purchased homes prior to April 8, 2008, or who had previously owned a home or homes within the prior three years.

5. The Worker, Homeownership and Business Assistance Act of 2009 (“WBAA-2009”) extended the deadline for taxpayers who had a binding contract to purchase a home before May 1, 2010. The closing deadline was extended to September 30, 2010 by The Worker, Homeownership and Business Assistance Act of 2010 (“WBAA-2010”) which was enacted on July 2, 2010.

6. The Internal Revenue Service (“IRS”) was a constituent agency of the United States Department of Treasury responsible for administering and enforcing the tax laws of the United States, including portions of the FTHBC and the WBAA-2009 and WBAA-2010, in addition to collecting taxes owed to the Treasury of the United States.

7. In 2009, defendant JONATHAN BROWNLEE, a resident of Philadelphia, Pennsylvania, prepared federal income tax returns for a number of individuals who purportedly claimed tax refunds based upon the FTHBC which were false because the individuals, in whose names the returns had been prepared, had not purchased homes or signed a contract to do so.

8. In order to prepare these false returns, defendant JONATHAN BROWNLEE obtained personal identifying information from a number of individuals, such as their names and social security numbers, through a variety of false pretenses.

9. After obtaining the personal identifying information, defendant JONATHAN BROWNLEE then prepared false and fictitious federal income tax returns and schedules which sought tax refunds based on the FTHBC when he knew that the individuals in whose names he had prepared the returns had not purchased a home and were not entitled to receive the credit.

10. After he had prepared the returns, defendant JONATHAN BROWNLEE

electronically filed the bogus returns with the Internal Revenue Service with the request that the refunds be deposited into bank accounts that he either controlled or had access to through other individuals.

11. On or about the dates listed in the chart below, in the Eastern District of Pennsylvania and elsewhere, defendant

JONATHAN BROWNLEE

knowingly made and presented, and caused to be made and presented, to the IRS, an agency of the Department of the Treasury, claims against the United States for payment, which he knew to be false, fictitious, or fraudulent, by preparing and causing to be prepared, and filing and causing to be filed, what purported to be federal income tax returns, for the individuals whose initials are set forth below, wherein claims for income tax refunds for the amounts listed below were made, with knowledge that such claims were false, fictitious, and fraudulent. These claims involved false and fraudulent Forms 5405, First-time Homebuyer Credit.

COUNT	TAXPAYER	FILING DATE	TAX YEAR	AMOUNT CLAIMED
1	DC	4/9/09	2008	\$7500
2	PC	4/2/09	2008	\$7500
3	SH1	3/26/09	2008	\$7521
4	LH	4/3/09	2008	\$7500
5	CH	3/25/09	2008	\$7500
6	SH2	3/6/09	2008	\$7533
7	SE	2/17/09	2008	\$7533
8	LF	4/9/09	2008	\$7500

9	DG	4/4/09	2008	\$7500
10	EB	4/6/09	2008	\$7521
11	ET	5/14/09	2008	\$7521
12	KC	4/9/09	2008	\$7500
13	SC	4/9/09	2008	\$7500
14	AW	4/11/09	2008	\$7500
15	DR	4/13/09	2008	\$7521
16	JR	4/13/09	2008	\$7500

All in violation of Title 18, United States Code, Sections 287 and 2.

A TRUE BILL:

ZANE MEMEGER
UNITED STATES ATTORNEY

GRAND JURY FOREPERSON