

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

**UNITED STATES OF AMERICA** : **CRIMINAL NO.**\_\_\_\_\_

**v.** : **DATE FILED** **March 3, 2011**

**LEONARD DESTINE** : **VIOLATIONS:**  
: **26 U.S.C. § 7206(2) (aiding and abetting**  
: **the preparation of materially false**  
: **returns - 31 counts)**

**INDICTMENT**

**COUNTS ONE THROUGH -THIRTY ONE**

**THE GRAND JURY CHARGES THAT:**

**Introduction**

1. At all times relevant to this indictment:

a. Defendant LEONARD DESTINE owned and operated a tax return preparation business named “Intellitax Pro” located at 604 New Holland Avenue, Suite F, in Lancaster, Pennsylvania.

b. The Internal Revenue Service (“IRS”) was an administrative agency within the United States Department of Treasury. As such, the IRS was charged with the responsibility of ascertaining, assessing and collecting, among other type of taxes, federal income taxes.

c. In computing their tax liability, or in determining whether or not they were entitled to receive a refund based on an overpayment of taxes, the IRS Tax Code offered taxpayers the option reducing the gross income realized by the taxpayers with a “standard

deduction,” or specifically deducting certain expenses that the filers incurred during a tax year in determining the taxpayers’ taxable income. The latter option was known as “itemized deductions.”

d. Deductions for which taxpayers could claim as itemized deductions included, among other things, mortgage interest payments, real estate taxes, charitable contributions and, to some extent, medical and unreimbursed employee business expenses.

e. The IRS Code also prescribed rules, regulations and procedures for determining entitlement, and the amount of the deduction, for each itemized expense deductions.

2. On or about April 1, 2008, defendant LEONARD DESTINE willfully aided and assisted in the preparation of a U.S. Individual Income Tax Return, Form 1040, for a IRS special agent acting in an undercover capacity. Defendant DESTINE prepared said U.S. Individual Income Tax Return, Form 1040, which was false and fraudulent as to material matters, in that defendant DESTINE represented that the undercover IRS special agent was entitled, under the provisions of the Internal Revenue Laws, to claim deductions for items and amounts, whereas, defendant DESTINE then and there knew, the under cover IRS special agent was not entitled to claim said deductions.

3. On or about the dates listed below, in the Eastern District of Pennsylvania, defendant

**LEONARD DESTINE**

willfully aided and assisted in, and advised the preparation and presentation to, the Internal Revenue, of the below listed U.S. Individual Income Tax Returns, Forms 1040, either individual or joint, which were false and fraudulent as to material matters, in that defendant DESTINE

represented that the taxpayers were entitled, under the provisions of the Internal Revenue Laws, to claim deductions for items and in amounts hereinafter specified, when in fact, the defendant well knew, the taxpayers were not entitled to claim deductions in the claimed amounts:

Count	Approximate Filing Date	Tax Year	Taxpayer's Initials	False Material Items
1	April 17, 2006	2005	VC	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
2	April 16, 2007	2006	VC	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
3	April 15, 2008	2007	VC	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
4	April 17, 2006	2005	MM	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
5	April 15, 2008	2007	MM	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
6	April 15, 2005	2004	TA	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity)
7	April 17, 2006	2005	TA	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
8	April 16, 2007	2006	TA	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity)
9	April 15, 2008	2007	TA	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
10	April 17, 2006	2005	TST	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity)

Count	Approximate Filing Date	Tax Year	Taxpayer's Initials	False Material Items
11	April 16, 2007	2006	TST	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
12	April 15, 2008	2007	TST	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
13	April 16, 2007	2006	JJ & PJ	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
14	April 15, 2005	2004	WL	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
15	April 17, 2006	2005	WL	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
16	April 16, 2007	2006	WL	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
17	April 15, 2008	2007	WL	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
18	April 17, 2006	2005	JB& AB	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
19	April 16, 2007	2006	JB & AB	1) Schedule A (medical and dental expenses) 2) Schedule A (gifts to charity) 3) Schedule A (job expenses and most other miscellaneous deductions)
20	April 15, 2008	2007	JB	1) Form 1040 (filing status)

Count	Approximate Filing Date	Tax Year	Taxpayer's Initials	False Material Items
21	April 15, 2008	2007	AB	<ul style="list-style-type: none"> <li>1) Form 1040 (filing status)</li> <li>2) Schedule A (medical and dental expenses)</li> <li>3) Schedule A (gifts to charity)</li> <li>4) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>
22	April 15, 2008	2007	DJ	<ul style="list-style-type: none"> <li>1) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>
23	April 16, 2007	2006	SJ	<ul style="list-style-type: none"> <li>1) Schedule A (medical and dental expenses)</li> <li>2) Schedule A (gifts to charity)</li> <li>3) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>
24	April 15, 2005	2004	JC	<ul style="list-style-type: none"> <li>1) Form 1040 (filing status)</li> <li>2) Schedule A (medical and dental expenses)</li> <li>3) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>
25	April 17, 2006	2005	JC	<ul style="list-style-type: none"> <li>1) Form 1040 (filing status)</li> <li>2) Schedule A (medical and dental expenses)</li> <li>3) Schedule A (gifts to charity)</li> <li>4) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>
26	April 16, 2007	2006	JC	<ul style="list-style-type: none"> <li>1) Form 1040 (filing status)</li> <li>2) Schedule A (medical and dental expenses)</li> <li>3) Schedule A (gifts to charity)</li> <li>4) Schedule A (job expenses and most other miscellaneous deductions)</li> </ul>

Count	Approximate Filing Date	Tax Year	Taxpayer's Initials	False Material Items
27	April 15, 2008	2007	JC	1) Form 1040 (filing status) 2) Schedule A (medical and dental expenses) 3) Schedule A (gifts to charity) 4) Schedule A (job expenses and most other miscellaneous deductions)
28	April 15, 2005	2004	MC	1) Form 1040 (filing status)
29	April 17, 2006	2005	MC	1) Form 1040 (filing status)
30	April 16, 2007	2006	MC	1) Form 1040 (filing status)
31	April 15, 2008	2007	MC	1) Form 1040 (filing status)

All in violation of Title 26, United States Code, Section 7206(2).

**A TRUE BILL:**

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**GRAND JURY FOREPERSON**

\_\_\_\_\_  
**ZANE DAVID MEMEGER**  
United States Attorney