

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

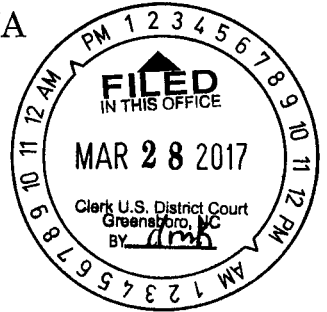
UNITED STATES OF AMERICA

v.

KEESHA ELAYNE FRYE
MARIA NICOLE STREATER

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1:17CR 115 -1
1:17CR 115 -2



The Grand Jury charges:

COUNT ONE

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. Defendant KEESHA ELAYNE FRYE was a resident of Durham, North Carolina.
2. Defendant KEESHA ELAYNE FRYE owned and operated KEF Professional Services, LLC ("KEF"), a North Carolina limited liability company, in Durham, North Carolina.
3. The primary line of business of KEF was tax return preparation services.
4. Defendant MARIA NICOLE STREATER was a resident of Durham, North Carolina.

5. Defendant MARIA NICOLE STREATER was employed at KEF in Durham, North Carolina.

6. The Internal Revenue Service ("IRS") was an agency of the United States Department of Treasury. The IRS had the responsibility to administer the internal revenue laws of the United States, including the ascertainment, computation, assessment, and collection of income and other taxes.

7. Forms 1040 and 1040A were federal income tax return forms used by taxpayers to report gross income to the IRS in a particular tax year. A Form 1040X was a form used to amend a previously-filed federal income tax return for a particular year.

8. The Earned Income Credit ("EIC") was a refundable tax credit for low-income, working individuals and couples, particularly those with children. The specific amount of EIC depended on a taxpayer's income and number of children.

9. Household Help Income ("HSH") was income earned from employment doing household work for others, such as babysitting and housekeeping.

CONSPIRACY

10. From in or around January 2012 through March 24, 2014, in the Middle District of North Carolina, and elsewhere, KEESHA ELAYNE FRYE, MARIA NICOLE STREATER, and divers other persons, both known and unknown to the Grand Jurors, did knowingly and unlawfully conspire, combine, confederate, and agree together to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful Government functions of the IRS in the ascertainment, computation, assessment, and collection of the revenue: to wit, income taxes.

MANNERS AND MEANS

11. It was a part of the conspiracy that KEESHA ELAYNE FRYE, MARIA NICOLE STREATER, and divers other persons, both known and unknown to the Grand Jurors, would and did prepare false and fraudulent income tax returns for KEF clients in order to generate income tax refunds larger than the refunds to which those clients were lawfully entitled.

12. It was further part of the conspiracy that KEESHA ELAYNE FRYE, MARIA NICOLE STREATER, and divers other persons, both known and unknown to the Grand Jurors, would and did falsify sources and amounts of income by adding, among other items, HSH, for KEF's taxpayer clients so

that those clients could qualify for the EIC, thereby increasing the clients' income tax refunds.

OVERT ACTS

13. On or about the following dates, KEESHA ELAYNE FRYE, MARIA NICOLE STREATER, and divers other persons, both known and unknown to the Grand Jurors, committed and caused to be committed overt acts in the Middle District of North Carolina, and elsewhere, including but not limited to the filing of false tax returns for the following taxpayers that were false and fraudulent as to a material matter:

OVERT ACT	TAXPAYER	DATE OF FILING
a)	K.C.	March 5, 2012
b)	K.C.	March 4, 2013
c)	K.C.	February 24, 2014
d)	X.F.	February 18, 2013
e)	P.K.	March 12, 2012
f)	P.K.	May 6, 2013
g)	D.K.	March 12, 2012
h)	E.S.	February 13, 2012
i)	E.S.	March 11, 2013

j)	E.S.	March 3, 2014
k)	J.C.	February 6, 2012
l)	J.C.	April 8, 2013
m)	J.C.	March 3, 2014
n)	R.P.	March 10, 2014
o)	C.S.	March 11, 2013
p)	K.M	March 19, 2012
q)	K.M.	March 4, 2013
r)	K.T.	February 6, 2012
s)	K.T.	February 18, 2013
t)	K.T.	March 24, 2014
u)	P.M.	April 8, 2013
v)	P.M.	March 3, 2014
w)	J.C.	March 24, 2014
x)	W.G.	April 15, 2013
y)	W.G.	April 21, 2014
z)	S.W.	March 3, 2014
aa)	A.W.	February 20, 2012
bb)	A.W.	February 25, 2013

cc)	A.W.	February 24, 2014
dd)	M.K.	February 24, 2014
ee)	H.W.	February 11, 2014

All in violation of Title 18, United States Code, Section 371.

COUNTS TWO THROUGH TWENTY-ONE

1. The Grand Jury realleges paragraphs 1 through 9 of Count One as if fully set forth herein.

2. On or about the dates set below, in the County of Durham, in the Middle District of North Carolina, and elsewhere, KEESHA ELAYNE FRYE did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of false U.S. Individual Income Tax Returns of the following taxpayers, for the calendar years listed below. The returns were false and fraudulent as to material matters, including, but not limited to, those listed below.

COUNT	TAX-PAYER	DATE OF FILING	FORM	FALSE MATTER	ITEM REPORTED
TWO	K.C.	March 5, 2012	2011 1040A	Line 7: Wages, salaries, tips, etc.	\$17,016
THREE	K.C.	March 4, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$15,016
FOUR	K.C.	February 24, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc. Line 40: American opportunity credit	\$14,701 \$613
FIVE	X.F.	February 18, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$14,162
SIX	P.K.	March 12, 2012	2011 1040	Line 12: Business income or (loss)	-\$35,601

SEVEN	P.K.	May 6, 2013	2012 1040	Line 12: Business income or (loss)	-\$12,461
				Schedule A, Line 10: Home mortgage interest	\$9,978
EIGHT	D.K.	March 12, 2012	2011 1040A	Line 7: Wages, salaries, tips, etc.	\$9,288
NINE	E.S.	February 13, 2012	2011 1040	Line 12: Business income or (loss)	\$9,875
				Line 66: American opportunity credit	\$900
TEN	E.S.	March 11, 2013	2012 1040	Line 7: Wages, salaries, tips, etc.	\$11,733
				Line 12: Business income or (loss)	-\$453

ELEVEN	E.S.	March 3, 2014	2013 1040	Line 7: Wages, salaries, tips, etc. Line 12: Business income or (loss) Line 66: American opportunity credit	\$10,500 -\$511 \$2,000
TWELVE	J.C.	February 6, 2012	2011 1040	Line 12: Business income or (loss)	\$10,005
THIRTEEN	J.C.	April 8, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$13,250
FOURTEEN	J.C.	March 3, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$8,327
FIFTEEN	R.P.	March 10, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$17,814

SIXTEEN	C.S.	March 11, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$8,562
SEVENTEEN	K.M	March 19, 2012	2011 1040	Line 7: Wages, salaries, tips, etc.	\$9,100
EIGHTEEN	K.M.	March 4, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$9,379
NINETEEN	K.T.	February 6, 2012	2011 1040	Line 12, Business Income or (loss)	\$18,007
TWENTY	K.T.	February 18, 2013	2012 1040	Line 7: Wages, salaries, tips, etc.	\$8,601
TWENTY-ONE	K.T.	March 24, 2014	2013 1040	Line 7: Wages, salaries, tips, etc.	\$12,020

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

COUNTS TWENTY-TWO THROUGH THIRTY-ONE

1. The Grand Jury realleges paragraphs 1 through 9 of Count One as if fully set forth herein.

2. On or about the dates set below, in the County of Durham, in the Middle District of North Carolina, and elsewhere, MARIA NICOLE STREATER did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of false U.S. Individual Income Tax Returns of the following taxpayers, for the calendar years listed below. The returns were false and fraudulent as to material matters, including, but not limited to, those listed below.

COUNT	TAXPAYER	DATE OF FILING	FORM	FALSE MATTER	ITEM REPORTED
TWENTY-TWO	P.M.	April 8, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$13,827
TWENTY-THREE	P.M.	March 3, 2014	2013 1040	Line 12, Business income or (loss)	\$8,452

TWENTY-FOUR	J.C.	March 24, 2014	2013 1040A	Line 36: Federal income tax withheld Line 40: American opportunity credit	\$5,590 \$1,000
TWENTY-FIVE	W.G.	April 15, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$15,597
TWENTY-SIX	W.G.	April 21, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$12,255
TWENTY-SEVEN	S.W.	March 3, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$14,000
TWENTY-EIGHT	A.W.	February 20, 2012	2011 1040A	Line 7: Wages, salaries, tips, etc.	\$10,660
TWENTY-NINE	A.W.	February 25, 2013	2012 1040A	Line 7: Wages, salaries, tips, etc.	\$15,416

THIRTY	A.W.	February 24, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$12,173
THIRTY-ONE	M.K.	February 24, 2014	2013 1040A	Line 7: Wages, salaries, tips, etc.	\$16,623

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

COUNT THIRTY-TWO

1. The Grand Jury realleges paragraphs 1 through 9 of Count One as if fully set forth herein.

2. On or about April 1, 2013, in the County of Durham, in the Middle District of North Carolina, and elsewhere, MARIA NICOLE STREATER did willfully make and subscribe a false U.S. Individual Income Tax Return, IRS Form 1040A, for the calendar year 2012, which was verified by a written declaration that it was made under the penalties of perjury and which she did not believe to be true and correct as to every material matter. That IRS Form 1040A, which was filed with the Internal Revenue Service, failed to report a source of income, to wit: income earned from KEF.

All in violation of Title 26, United States Code, Section 7206(1).

COUNT THIRTY-THREE

1. The Grand Jury realleges paragraphs 1 through 9 of Count One as if fully set forth herein.

2. On or about February 14, 2011, in the County of Durham, in the Middle District of North Carolina, and elsewhere, KEESHA ELAYNE FRYE did willfully make and subscribe a false Amended U.S. Individual Income Tax Return, IRS Form 1040X, for the calendar year 2010, which was verified by a written declaration that it was made under the penalties of perjury and which she did not believe to be true and correct as to every material matter. That IRS Form 1040X, which was filed with the Internal Revenue Service, reported on the attached Form 2441 child and dependent care expenses paid to T.L. in the amount of \$6,000, which defendant KEESHA ELAYNE FRYE then and there knew to be false.

All in violation of Title 26, United States Code, Section 7206(1).

COUNT THIRTY-FOUR

(Subscribing to a False Tax Return)

1. The Grand Jury realleges paragraphs 1 through 9 of Count One as if fully set forth herein.

2. On or about May 6, 2013, in the County of Durham, in the Middle

District of North Carolina, and elsewhere, KEESHA ELAYNE FRYE did willfully make and subscribe a false U.S. Individual Income Tax Return, IRS Form 1040, for the calendar year 2012, which was verified by a written declaration that it was made under the penalties of perjury and which she did not believe to be true and correct as to every material matter. That IRS Form 1040, which was filed with the Internal Revenue Service, reported on the attached Form 2441 child and dependent care expenses paid to J.C. in the amount of \$5,600, and on the attached Schedule C, line 31, a net loss of \$5,065, which defendant KEESHA ELAYNE FRYE then and there knew to be false.

All in violation of Title 26, United States Code, Section 7206(1).

DATED: March 27, 2017

SANDRA J. HAIRSTON
Acting United States Attorney

A handwritten signature in black ink, appearing to read 'Nathan Brooks', is written over a horizontal line.

BY: NATHAN BROOKS
Trial Attorney

A TRUE BILL: