Case unsealed on 6-1-18 @ 12:57 p.m.
by Mag. Judge Joi Elizabeth Peake

SEALED

FILED
IN THIS OFFICE
MAY 30 2018
Clerk U.S. District Court
Greensboro, NC
BY amb

IN THE UNITED STATES DISTRICT COURT

FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA	:	
	:	
v.	:	1:18CR206-1
	:	
CLAUDIA LYNETTE SHIVERS	:	

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. CLAUDIA LYNETTE SHIVERS was a resident of Winston-Salem, North Carolina.

2. Co-conspirator Shannon DeWayne Patterson ("Patterson") was an attorney licensed to practice in the State of Georgia.

3. CLAUDIA LYNETTE SHIVERS, along with co-conspirator Patterson and other co-conspirators, known and unknown to the Grand Jurors, owned and operated a tax return preparation business called Fast Tax of Winston-Salem, Inc. ("Fast Tax"), a North Carolina corporation, in Winston-Salem, North Carolina.

4. CLAUDIA LYNETTE SHIVERS, along with other co-conspirators, known and unknown to the Grand Jurors, owned and operated a tax return

preparation business called Quick Taxes LLC ("Quick Taxes"), a North Carolina limited liability company, in Greensboro, North Carolina.

5. CLAUDIA LYNETTE SHIVERS, along with co-conspirator Patterson, and divers other persons, known and unknown to the Grand Jurors, would and did advertise to clients of Fast Tax that a tax attorney was employed on the premises.

6. Co-conspirator Kristyn Dion Daney ("Daney") and co-conspirator Rakeem Lenell Scales ("Scales") were employed as tax return preparers at Fast Tax in Winston-Salem, North Carolina.

7. The Internal Revenue Service ("IRS") was an agency of the United States Department of the Treasury responsible for administering the federal tax laws of the United States, and collecting taxes owed to the United States.

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

9. The Earned Income Tax Credit ("EITC") was a refundable tax credit for low-income, working individuals and families with children. The specific amount of EITC was calculated as a percentage of an earned income

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level. The EITC increased as a taxpayer earned increasing amounts of income until the taxpayer's income reached a specified amount. The EITC then decreased and phased out completely for taxpayers who made more than a specified amount.

COUNT ONE

CONSPIRACY

10. The Grand Jury realleges paragraphs 1 through 9 of the Introductory Allegations as if fully set forth herein.

11. From in or around January, 2014, through in or around April, 2017, in the Middle District of North Carolina, and elsewhere, CLAUDIA LYNETTE SHIVERS, along with Patterson, Daney, Scales, and divers other persons, 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 revenue: to wit, income taxes.

MANNERS AND MEANS

12. It was a part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Patterson, Daney, Scales, and divers other persons,

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known and unknown to the Grand Jurors, would and did agree to falsify items on the federal income tax returns of clients for the purpose of increasing income tax refunds issued by the IRS to those clients. It was a further part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Daney, Scales, and divers other persons, known and unknown to the Grand Jurors, would and did include false items on the federal income tax returns of clients, including but not limited to false dependents, false business income, false Schedule A deductions, and false EITCs.

13. It was a further part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Daney, Scales, and divers other persons, known and unknown to the Grand Jurors, would and did direct clients to hand-write false information on tax forms and other documents to create a false record of information provided to Fast Tax and Quick Taxes for the preparation of the clients' tax returns.

14. It was a further part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Patterson, and divers other persons, known and unknown to the Grand Jurors, would and did collect fees from clients for preparing their false income tax returns.

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15. It was a further part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Daney, and divers other persons, known and unknown to the Grand Jurors, would and did conceal from the IRS that they prepared and filed a number of federal income tax returns on behalf of clients without completing the paid preparer section.

16. It was a further part of the conspiracy that CLAUDIA LYNETTE SHIVERS, along with Patterson, and divers other persons, known and unknown to the Grand Jurors, would and did take steps to conceal the existence of the conspiracy.

OVERT ACTS

17. On or about the following dates, CLAUDIA LYNETTE SHIVERS, along with Patterson, Daney, Scales, and divers other persons, 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 preparation and filing of false tax returns, in the names of the following persons whose initials are listed below, for the tax years listed below, and containing false items including, but not limited to, the items listed below:

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OVERT ACT	TAXPAYER	TAX YEAR	DATE OF FILING	FALSE ITEMS
a)	A.S. and T.W.	2014	February 23, 2015	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $9,800
b)	D.J.	2014	February 16, 2015	Form 1040, Line 12: Business Income - $10,000
c)	A.P.	2013	March 24, 2014	Form 1040, Line 12: Business Income - $7,500
d)	A.P.	2014	February 23, 2015	Form 1040, Line 12: Business Income - $7,522
e)	B.H.	2013	March 31, 2014	Form 1040-Form 2106 EZ, Line 6: $14,931 Schedule A, Line 19: Gifts to Charity - $6,000
f)	B.H.	2014	April 27, 2015	Form 1040-Form 2106 EZ, Line 6: $10,500 Schedule A, Line 19: Gifts to Charity - $2,973
g)	R.F.	2014	March 2, 2015	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $6,440
h)	R.F.	2015	May 2, 2016	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $6,802

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i)	R.F.	2016	May 22, 2017	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $3,780
j)	V.B.	2013	May 5, 2014	Form 1040A, Line 6c: Dependent K.B.; Dependent T.B. Line 38: EITC
k)	V.B.	2014	March 30, 2015	Form 1040, Line 6c: Dependent K.B. Line 66a: EITC
l)	V.B.	2014	April 27, 2015	Form 1040X-Schedule C-EZ, Line 3: Net Profit - $6,500 Line 30: Dependent K.B.; Dependent T.B. Line 14B: EITC
m)	E.W.	2014	March 16, 2015	Form 1040, Line 12: Business Income - $10,500
n)	M.S.	2014	April 27, 2015	Form 1040, Line 16b: Pensions and Annuities Taxable Amount - $0 Schedule C, Line 9: Car and Truck Expenses - $3,920

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o)	M.S.	2015	May 9, 2016	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $4,888 Schedule C, Line 11: Contract Labor - $1,300
p)	M.S.	2016	May 8, 2017	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $9,255
q)	R.C. and L.C.	2015	March 7, 2016	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $5,834
r)	R.C. and L.C.	2016	March 6, 2017	Form 1040- Schedule C, Line 9: Car and Truck Expenses - $4,050 Schedule C, Line 20a: Rent or Lease - $6,250

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

COUNTS TWO THROUGH TEN

18. The Grand Jury realleges paragraphs 1, 3-4, and 7-9 of the Introductory Allegations as if fully set forth herein.

19. On or about the dates set below, in the Middle District of North Carolina, and elsewhere, CLAUDIA LYNETTE SHIVERS did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to

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the IRS, of false U.S. Individual Income Tax Returns of the following taxpayers, for the calendar years listed below, and which were false and fraudulent as to material matters, including, but not limited to, those listed below, whereas, as she then and there well knew, the taxpayers were not permitted to report such material matters:

COUNT	TAX-PAYER	DATE OF FILING	FORM	FALSE ITEMS
TWO	R.F.	3/2/2015	2014 Form 1040	Schedule C, Line 9: Car and Truck Expenses - $6,440
THREE	R.F.	5/2/2016	2015 Form 1040	Schedule C, Line 9: Car and Truck Expenses - $6,802
FOUR	R.F.	5/22/2017	2016 Form 1040	Schedule C, Line 9: Car and Truck Expenses - $3,780
FIVE	V.B.	5/5/2014	2013 Form 1040A	Line 6c: Dependent K.B.; Dependent T.B. Line 38: EITC
SIX	V.B.	3/30/2015	2014 Form 1040	Line 6c: Dependent K.B. Line 66a: EITC

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SEVEN	V.B.	4/27/2015	2014 Form 1040X	Line 30: Dependent K.B.; Dependent T.B. Schedule C-EZ, Line 3: Net Profit - $6,500 Line 14B: EITC
EIGHT	M.S.	4/27/2015	2014 Form 1040	Line 16b: Pensions and Annuities Taxable Amount - $0 Schedule C, Line 9: Car and Truck Expenses - $3,920
NINE	M.S.	5/9/2016	2015 Form 1040	Schedule C, Line 9: Car and Truck Expenses - $4,888 Schedule C, Line 11: Contract Labor - $1,300
TEN	M.S.	5/8/2017	2016 Form 1040	Schedule C, Line 9: Car and Truck Expenses - $9,255

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

COUNT ELEVEN

20. The Grand Jury realleges paragraphs 1, 3-4 and 7-8 of the Introductory Allegations as if fully set forth herein.

21. On or about March 2, 2015, in the Middle District of North Carolina, CLAUDIA LYNETTE SHIVERS did willfully make and subscribe a

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U.S. Individual Income Tax Return, Form 1040A, for the calendar year 2014, 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 income tax return, which was filed with the IRS, reported total income in the amount of $16,316, whereas, as she then and there well knew, she received other income in addition to the amount stated on the return.

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

DATED: May 29, 2018.

MATTHEW G. T. MARTIN
United States Attorney

BY: CLIFTON T. BARRETT
Assistant U.S. Attorney
Chief, Criminal Division

ROBERT J. BOUDREAU
Trial Attorney
U.S. Department of Justice

A TRUE BILL:

FOREPERSON