



The United States Attorney's Office

Central District of California



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TAX PREPARER SENTENCED TO 11 YEARS IN PRISON FOR RUNNING SCHEME THAT LED TO MILLIONS IN LOSSES

A Chino Hills man who operated several tax preparation businesses and admitted operating a wide-ranging scheme in which he defrauded clients and the Internal Revenue Service, was sentenced today to 11 years in federal prison.

Abdul Wahid, 57, the owner of Global Accounting and Tax Service in Los Angeles, was sentenced this morning by United States District Judge George Wu. In addition to the prison term, Wahid will be ordered to pay restitution, an amount that will be determined by Judge Wu following a hearing scheduled for February 9. The government has asked Judge Wu to order Wahid to pay more than \$2 million to his victims.

Wahid pleaded guilty last year to three counts of mail fraud, one count of theft of government property, one count of aggravated identity theft and five counts of attempted tax evasion. Wahid used the money obtained through the scheme to finance his lavish lifestyle, according to court papers filed by the government.

As part of his scheme to defraud clients of his tax return preparation business, Wahid formed companies with names like Internal Recovery Systems, Inc. (IRS), along with other DBAs – FTB, EDD and BOE – that were all acronyms for government taxing agencies. After Wahid prepared personal and business tax returns that usually showed thousands of dollars of taxes due, Wahid instructed clients to write checks for the amounts due made out to the appropriate taxing authority or to Wahid personally. But instead of submitting the checks to the appropriate taxing agency, Wahid deposited the checks into bank accounts he controlled, for example, his "IRS" account.

Wahid also failed to file his personal federal income tax returns for the years 2002 through 2006. By not filing his tax returns, Wahid attempted to evade the payment of nearly \$1 million in federal income taxes.

Another aspect of Wahid's criminal conduct involved the theft of a tax refund check that was

based on a false tax return he filed with the Internal Revenue Service. That tax return was filed under the name of a person whose identity Wahid had stolen.

Wahid has been in custody since November 26, when he was taken into custody for violating the terms of his bond by continuing to operate his scheme – even though he had pleaded guilty 10 months before.

The investigation of Wahid was conducted by the Treasury Inspector General for Tax Administration (TIGTA), IRS-Criminal Investigation, the Federal Bureau of Investigation and the Social Security Administration.

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