



Department of Justice

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BIRMINGHAM MAN CHARGED WITH FALSE TAX REFUND SCHEME

BIRMINGHAM, AL - CARDALE BATES, 28, from Birmingham, has been indicted by a federal grand jury today. Alice H. Martin, United States Attorney for the Northern District of Alabama, and Reginael McDaniel, Special Agent in Charge, Internal Revenue Service-Criminal Investigation announce the 14-count indictment today of BATES on charges of filing false claims for tax refunds, wire fraud, and aggravated identity theft.

The indictment charges that from 2004 through 2005 BATES and others participated in a fraudulent scheme to obtain payment of false tax refunds presented to the Internal Revenue Service. As part of the scheme, BATES acquired names and social security numbers for the purpose of using this information to assist in the preparation of false tax returns claiming refunds. The false claims for refunds were ultimately filed electronically with the IRS and the proceeds of the scheme were directed into several bank accounts that the defendant BATES and others controlled.

If convicted, BATES faces a maximum potential sentence of one hundred twelve years in prison and \$3,250,000 in fines.

“This office will not tolerate theft of money intended to pay tax refunds to hardworking citizens. These cases will be vigorously prosecuted,” stated Alice H. Martin.

Reginael D. McDaniel stated, "IRS Criminal Investigation is committed to stopping these fraudulent refunds schemes, particularly those schemes that take it to another level by using someone else's identity to accomplish the crime."

This case was investigated by the Criminal Investigation Division of the Internal Revenue Service, and agents of the Treasury Inspector General for Tax Administration. Department of Justice Tax Division Trial Attorneys Matthew J. Mueller and Jed M. Silversmith and Assistant United States Attorney Melissa K. Atwood are prosecuting this case on behalf of the United States.

Members of the public are reminded that the indictment contains only charges. A defendant is presumed innocent of the charges and it will be the government's burden to prove a defendant's guilt beyond a reasonable doubt at trial.

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