

United States Attorney Sally Quillian Yates

Northern District of Georgia

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ATLANTA MAN ADMITS TO FILING FALSE TAX RETURNS

THAT CLAIMED OVER \$1.2 MILLION IN FRAUDULENT REFUNDS

ATLANTA - Eugene Gibbons, 64, of Atlanta, Georgia, pleaded guilty today in federal district court to two counts of filing false tax returns through C&M Tax Service, a tax preparation business where he worked, announced Sally Quillian Yates, United States Attorney for the Northern District of Georgia, and Kathryn Keneally, Assistant Attorney General for the Justice Department's Tax Division.

United States Attorney Sally Quillian Yates said, "It is simply unacceptable in these trying economic times that certain individuals seek to abuse the system for their own personal profit. Eugene Gibbons' actions resulted in a significant loss to the United States Treasury. He now faces more prison time as a result of his criminal conduct."

Donald B. Yaden, Special Agent in Charge, of the Internal Revenue Service Atlanta Field Office, stated: "The message this case sends is that those individuals who instigate refund fraud schemes, promote the schemes, and benefit from the schemes will be prosecuted. We will continue to aggressively pursue those who file false tax returns to claim refunds for which they are not entitled."

According to United States Attorney Yates, the charges and other information presented in court: Gibbons prepared fraudulent federal income tax returns at a tax preparation business named C&M Tax Service from 2002 through 2009. On the tax returns, Gibbons claimed fraudulent deductions, expenses, and credits, which resulted

in his clients receiving fraudulent refunds. Gibbons then received monetary fees from those clients who he helped obtain fraudulent refunds. In total, the tax returns Gibbons prepared claimed over \$1.2 million in false and fraudulent refunds. In the plea agreement, Gibbons admitted that he started filing fraudulent tax returns shortly after he was released from prison where he was serving a sentence for a previous conviction for aiding and abetting in the filing of false tax returns.

Gibbons pleaded guilty to a Criminal Information which was filed on July 19, 2012. The Criminal Information charged him with two counts of aiding and abetting in the preparation of false tax returns. Gibbons could receive a maximum sentence of three years in prison and a fine of up to \$250,000, on each count. In determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders.

Sentencing is scheduled for September 26, 2012, at 2 p.m., before United States District Judge Willis B. Hunt, Jr.

This case is being investigated by Special Agents of the Internal Revenue Service.

U.S. Department of Justice Tax Division Trial Attorney Thomas J. Krepp and Assistant United States Attorney Steven D. Grimberg are prosecuting the case.

For further information please contact the U.S. Attorney's Public Information Office at USAGAN.PressEmails@usdoj.gov or (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.justice.gov/usao/gan.