

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO.** _____
v. : **DATE FILED:** May 27, 2014
MOMOLU SIRLEAF : **VIOLATIONS:**
: **26 U.S.C. § 7206(2) (aiding or assisting**
: **in the preparation of false federal**
: **income tax returns - 6 counts)**
: **18 U.S.C. § 1343 (wire fraud – 6 counts)**
: **18 U.S.C. § 1028A (aggravated identity**
: **theft – 8 counts)**
: **18 U.S.C. § 2 (aiding and abetting)**

INDICTMENT

COUNTS ONE THROUGH SIX

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

1. Defendant MOMOLU SIRLEAF owned and operated I.E.S Tax Services, a tax preparation business located in Darby, Pennsylvania that prepared and electronically filed via the internet income tax returns, including Internal Revenue Service Forms 1040 and 1040A, for clients each year in exchange for fees.
2. The Internal Revenue Service (“IRS”) was an agency of the United States Department of Treasury responsible for the ascertainment and collection of revenue, including income tax revenue, and the disbursement of tax refunds to taxpayers whose tax payments in a particular year exceeded the amount of their actual tax liability.
3. The IRS Code prescribes rules, regulations, and procedures for determining entitlement to claim dependents on tax returns, which in turn enable taxpayers to claim child tax

credits, including the earned income tax credit and an additional child tax credit, both of which are refundable credits and enable the taxpayer to receive a refund. The additional child tax credit is for the taxpayer who received less than the full amount of the child tax credit.

4. The Electronic Filing Program was a program instituted, directed, and operated by the IRS under which tax filers and tax preparers were permitted to file income tax returns by computer, online via the internet.

5. A federal individual income tax return filed using the Electronic Filing Program was accepted and processed by the IRS so long as all Social Security numbers included on the return, including the Social Security numbers of any dependents, were legitimate and had not been included on any return previously filed and accepted by the IRS for that same tax year.

6. Defendant MOMOLU SIRLEAF falsified information on federal income tax returns that he prepared and electronically filed for clients in order to eliminate any federal tax that was due and generate large fraudulent tax refunds.

7. Defendant MOMOLU SIRLEAF falsified information about dependents and added dependents on the returns of certain clients in order to generate fraudulent refunds, some in excess of \$8,000. Defendant SIRLEAF obtained the names and Social Security numbers of children within the foster care system to falsely use as dependents on clients' income tax returns.

8. Defendant MOMOLU SIRLEAF charged clients an additional fee of up to approximately \$800 to fraudulently include dependents on income tax returns, or withheld additional fees from clients' tax refunds to pay for the fraudulent use of dependents.

9. By adding dependents to the income tax returns, defendant MOMOLU SIRLEAF falsely claimed for clients a tax exemption for each dependent, the child tax credit, the child and dependent care credit, and the earned income tax credit.

10. On or about the dates listed below, in the Eastern District of Pennsylvania, defendant

MOMOLU SIRLEAF

willfully aided and assisted in, and procured, counseled and advised the preparation and presentation to the Internal Revenue Service of federal Individual Income Tax Returns, Forms 1040 and Forms 1040A, either individual or joint, for the tax filers and calendar years listed below, each constituting a separate count, which returns were false and fraudulent as to material matters, in that they represented that the tax filers, whose identities are known to the United States Attorney, were entitled to claim dependents, deductions and credits, whereas, as MOMOLU SIRLEAF well knew, the tax filers were not entitled to claim such dependents, deductions and credits:

Count	Date Return Filed	Tax Year	Tax Filer	Falsely Claimed Items	Refund Claimed
1	2/1/2010	2009	H.C.	Dependent D.B.; earned income tax credit; child tax credit; additional child tax credit.	\$7,217

Count	Date Return Filed	Tax Year	Tax Filer	Falsely Claimed Items	Refund Claimed
2	1/21/2011	2010	H.C.	Dependent A.D.; earned income tax credit; child tax credit; additional child tax credit.	\$6,231
3	1/15/2010	2009	I.S.	Dependent E.C.; earned income tax credit; additional child tax credit.	\$8,217
4	1/25/2011	2010	I.S.	Filing status; dependents E.C. and J.P.; earned income tax credit; child tax credit; additional child tax credit.	\$5,319
5	1/15/2010	2009	P.H.	Filing status; dependents J.J. and J.A.; earned income tax credit; additional child tax credit.	\$7,237
6	2/2/2012	2011	E.J.	Filing status; dependents J.P. and A.D.; earned income tax credit; child tax credit; additional child tax credit.	\$8,355

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

COUNTS SEVEN THROUGH TWELEVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 9 of Counts One through Six of this indictment are realleged here.

2. TaxACT was a tax preparation software that allowed tax professionals to prepare and file online via the internet federal income tax returns using a secured server located in Iowa. TaxACT then electronically submitted the tax returns in batches to the IRS in Tennessee and West Virginia.

3. Defendant MOMOLU SIRLEAF used TaxACT to prepare and electronically file income tax returns for clients.

4. From in or about January 2010 through in or about February 2012, in the Eastern District of Pennsylvania and elsewhere, defendant

MOMOLU SIRLEAF

devised and intended to devise a scheme to defraud the Internal Revenue Service, and to obtain money by means of false and fraudulent pretenses, representations, and promises.

THE SCHEME

5. It was part of the scheme that defendant MOMOLU SIRLEAF falsified information on federal individual income tax returns that he prepared for clients and electronically filed with the IRS using TaxACT software via the internet.

It further was part of the scheme that:

6. Defendant MOMOLU SIRLEAF obtained the names and Social Security numbers of children within the foster care system to use as dependents on clients' income tax

returns.

7. Defendant MOMOLU SIRLEAF charged clients an additional fee to fraudulently include dependents on income tax returns, or withheld additional fees from clients' tax refunds to pay for the fraudulent use of dependents.

8. By falsely adding dependents on the tax returns of clients, defendant MOMOLU SIRLEAF falsely claimed for clients a tax exemption for each dependent, the child tax credit, and potentially the child and dependent care credit and the earned income tax credit. By falsely claiming these exemptions and credits for clients, defendant MOMOLU SIRLEAF eliminated any federal tax due and generated for clients' fraudulent tax refunds, some in excess of \$8,000.

9. On or about each of the dates listed below, in the Eastern District of Pennsylvania, defendant

MOMOLU SIRLEAF,

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted, by means of wire communication in interstate commerce the signals and sounds described below, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION OF WIRE</u>
7	2/1/2010	Electronically filed federal individual income tax return for tax year 2009 of taxpayer H.C. claiming refund of \$7,217.
8	1/21/2011	Electronically filed federal individual income tax return for tax year 2010 of taxpayer H.C. claiming refund of \$6,231.

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION OF WIRE</u>
9	1/15/2010	Electronically filed federal individual income tax return for tax year 2009 of taxpayer I.S. claiming refund of \$8,217.
10	1/25/2011	Electronically filed federal individual income tax return for tax year 2010 of taxpayer I.S. claiming refund of \$5,319.
11	1/15/2010	Electronically filed federal individual income tax return for tax year 2009 of taxpayer P.H. claiming refund of \$7,237.
12	2/2/2012	Electronically filed federal individual income tax return for tax year 2011 of taxpayer E.J. claiming refund of \$8,355

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS THIRTEEN THROUGH EIGHTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 9 of Counts One through Six, and Paragraphs 5 through 9 of Counts Seven through Twelve are realleged here.

2. On or about each of the dates listed below, in the Eastern District of Pennsylvania, defendant

MOMOLU SIRLEAF,

knowingly and without lawful authority, transferred, possessed, and used, and aided and abetted the transfer, possession, and use of, a means of identification of another person, that is, the names and Social Security numbers of the people listed below, each person constituting a separate count, during and in relation to wire fraud.

COUNT	<u>DATE</u>	<u>NAME OF DEPENDENT FASELY USED ON TAX RETURN</u>
13	2/1/2010	D.B.
14	1/21/2011	A.D.
15	1/15/2010	E.C.
16	1/15/2010	J.J.
17	1/15/2010	J.A.
18	2/2/2012	J.P.

2. All in violation of Title 18, United States Code, Sections 1028A(a)(1), (c)(5), and

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1343 described in this indictment, defendant

MOMOLU SIRLEAF

shall forfeit to the United States of America, any property, real or personal, which constitutes or is derived from proceeds traceable to violations, including, but not limited to the sum of up to \$43,311.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

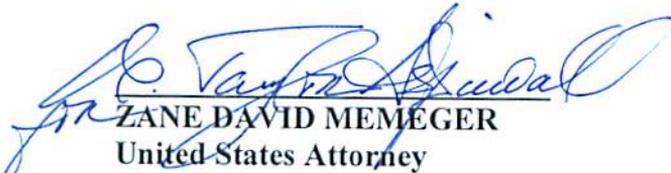
it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 981(a)(1)(c) and Title 28,

United States Code, Section 2461(c).

A TRUE BILL:

GRAND JURY FOREPERSON


ZANE DAVID MEMEGER
United States Attorney