

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF FLORIDA
PENSACOLA DIVISION

UNITED STATES OF AMERICA

v.

CHRISTOPHER JACOB RANKINS

SEALED
INDICTMENT

CERTIFIED A TRUE COPY
Jessica J. Lyublanovits

By

Deputy Clerk

3:17-cr-15/MCR

THE GRAND JURY CHARGES:

COUNTS ONE THROUGH TWELVE

A. INTRODUCTION

1. Defendant **CHRISTOPHER JACOB RANKINS**, worked as tax return preparer at American Tax Service, which was a tax return preparation business located in Pensacola, Florida.
2. The Internal Revenue Service (IRS) was a bureau within the United States Department of the Treasury (Treasury) and an agency of the government of the United States. The IRS was responsible for the administration and enforcement of Title 26 of the United States Code (Internal Revenue Code).

3. Included within the governmental functions of the IRS was the responsibility and authority to ascertain, compute, assess, and collect taxes (revenue) and to conduct related investigations, examinations, audits, and

Returned in open court pursuant to Rule 6(f)
1-17-17
Date
<i>Angela M. H. O.</i>
United States Magistrate Judge

enforcement actions. The governmental functions of the IRS also included the responsibility and authority to investigate fraudulent activity related to the income tax refund process, to obtain the repayment of any such fraudulently disbursed tax refunds, and to seek penalties against those responsible for such fraud.

4. IRS Form Schedule C was used to report income or loss from a business operated or a profession practiced as a sole proprietor. An activity qualified as a business if an individual's primary purpose for engaging in the activity was for income or profit, and the individual was involved in the activity with continuity and regularity.

5. IRS Form 8863 was used to calculate and claim education credits, which were based on qualified education expenses paid to an eligible postsecondary educational institution. American Opportunity Credit was an educational credit available in tax years 2010 and 2011. American Opportunity Credit allowed up to a \$2,500 credit per eligible student. Forty percent of the credit may have been a refundable credit, and the remainder was a nonrefundable credit. The American Opportunity Credit may have been claimed if the taxpayer, their spouse, or a dependent claimed on the taxpayer's tax return, was a student enrolled at and attending an eligible educational institution. The American Opportunity Credit was only available for the first four years of postsecondary education. The student must have been pursuing a degree or other recognized

education credential. The student must have been enrolled in at least one-half the normal full-time workload for at least one academic term during the reported tax year. The credits were based on the amount of qualified education expenses paid for the student in the tax year. Qualified education expenses must have been reduced by any expenses paid directly or indirectly using tax-free educational assistance. Qualified expenses included: tuition, required enrollment fees, and course materials the student needed for course of study (i.e. books, supplies, and equipment).

B. THE CHARGE

On or about the dates listed below, in the Northern District of Florida, the defendant,

CHRISTOPHER JACOB RANKINS,

did willfully aid, assist, procure, counsel, and advise in the preparation and presentation under, and in connection with a matter arising under the Internal Revenue laws, of a United States Individual Income Tax Return, Form 1040, which return was fraudulent and false as to a material matter, in that the filed returns, as set forth below, falsely represented the taxpayers' business expenses and falsely claimed education credits and refunds to which the taxpayers were not entitled under the provisions of the Internal Revenue laws, where the defendant knew such representations and claims to be false:

Count	Taxpayer	Calendar Year	Filing Date	Falsely Reported Items
ONE	D.M.	2010	02/14/2011	Schedule C Expenses
TWO	D.M.	2011	02/07/2012	Schedule C Expenses Education Credit
THREE	T.B.	2010	02/05/2011	Schedule C Expenses
FOUR	T.B.	2011	01/19/2012	Schedule C Expenses Education Credit
FIVE	M.G.	2010	01/29/2011	Schedule C Expenses Education Credit
SIX	M.G.	2011	02/06/2012	Schedule C Expenses Education Credit
SEVEN	P.M.	2010	02/04/2011	Schedule C Expenses
EIGHT	P.M.	2011	01/18/2012	Schedule C Expenses Education Credit
NINE	P.O.	2010	02/15/2011	Schedule C Expenses
TEN	P.O.	2011	01/18/2012	Schedule C Expenses Education Credit
ELEVEN	B.R.	2010	03/17/2011	Schedule C Expenses Education Credit
TWELVE	B.R.	2011	03/08/2012	Schedule C Expenses Education Credit

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

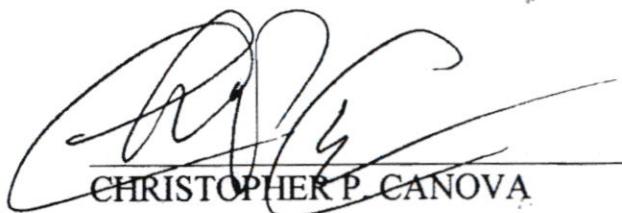
A TRUE BILL:

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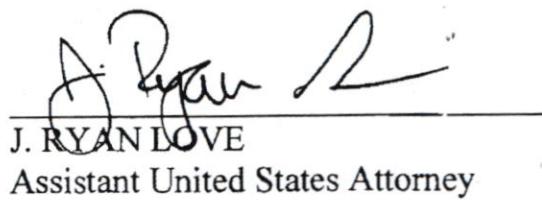
FOREPERSON

17 JAN 2017

DATE



CHRISTOPHER P. CANOVA
United States Attorney



J. RYAN LOVE
Assistant United States Attorney