

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

16 CRIM 435

UNITED STATES OF AMERICA

INFORMATION

- v. -

CHRISTOPHER AHERN,

Defendant.

16-SE  
USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC #:  
DATE FILED: JUN 21 2016

COUNTS ONE THROUGH THIRTEEN

(Making and Presenting False, Fictitious, and  
Fraudulent Claims to the United States)

The United States Attorney charges:

Background

1. At all times relevant to this Indictment, CHRISTOPHER AHERN, the defendant, was in the business of preparing U.S. Individual Income Tax Returns ("Federal Tax Returns") and state and local tax returns for individuals (the "Clients") in exchange for fees. AHERN carried out his tax preparation business principally through "Get My Refund Fast" ("GMRF"), a partnership entity he owned and controlled, which was located in the Bronx, New York.

2. CHRISTOPHER AHERN, the defendant, typically caused the filing of his Clients' tax returns electronically, using an Electronic Filing Identification Number ("EFIN") obtained from the Internal Revenue Service ("IRS").

**JUDGE BATTS**

3. From in or about 2012 to in or about 2013, CHRISTOPHER AHERN, the defendant, prepared and caused to be filed nearly five thousand income tax returns with the IRS and the New York State Department of Taxation and Finance.

**Relevant Provisions of the Internal Revenue Code**

4. At all relevant times to this Information:

a. Pursuant to the Internal Revenue Code and attendant regulations, individual taxpayers generally are required annually to report their income, tax liabilities, and, where appropriate, any claim for a refund on a U.S. Individual Income Tax Return, Form 1040 ("Form 1040"), which must be filed with the IRS, which is part of the United States Department of the Treasury.

b. The American Opportunity Credit ("Education Credit") is a tax credit that may be claimed by taxpayers on Form 1040, and accompanying Form 8863, thereby providing a tax benefit based on the payment during the relevant tax year of certain higher-education expenses. A tax credit reduces the amount of income tax a taxpayer may have to pay. Unlike a deduction, which serves to reduce the amount of income subject to tax, a credit directly reduces the tax itself. In addition, forty per cent of the Education Credit is refundable, which means that if the refundable portion of the credit is more than the taxpayer's tax liability, the excess is refunded by the IRS

to the taxpayer. Taxpayers eligible to claim the Education Credit are able to claim a credit of up to \$2,500.00 per year for qualified education expenses paid for each eligible student. Qualified education expenses are those tuition and certain related expenses required for enrollment or attendance at an eligible educational institution. An eligible educational institution is any college, university, vocational school, or other post-secondary educational institution that is eligible to participate in a student aid program administered by the U.S. Department of Education.

**The Tax Preparation Fraud Orchestrated by CHRISTOPHER AHERN**

5. From in or about 2012 through in or about 2013, CHRISTOPHER AHERN, the defendant, regularly prepared and caused to be filed with the IRS Federal Tax Returns and accompanying forms and schedules for his Clients that were false and fraudulent. For example, AHERN typically prepared and caused to be filed with the IRS Federal Tax Returns with fabricated and/or fraudulently inflated items including, but not limited to, the following: (i) Education Credits, or "tuition credits," and (ii) tuition expenses. Between in and about 2012 through in and about 2013, AHERN caused the preparation and filing of Federal Tax Returns for his Clients that included fabricated and fraudulently inflated Education Credits and tuition expenses exceeding approximately \$4,700,000. The preparation of the

aforementioned tax returns, which AHERN carried out with the help of co-schemers supervised by AHERN to recruit Clients, also resulted in the receipt by AHERN of approximately \$1,588,913 in fees from his Clients.

**Statutory Allegations**

6. On or about the dates set forth below, in the Southern District of New York and elsewhere, CHRISTOPHER AHERN, the defendant, did make and present claims to departments and agencies of the United States, claims upon and against the United States, and departments and agencies thereof, knowing such claims to be false, fictitious, and fraudulent, to wit, AHERN prepared and filed U.S. Individual Income Tax Returns, Forms 1040, and accompanying forms and schedules, with the IRS for the taxpayers listed below, and for the tax years listed below, which returns were false and fraudulent as to material matters, in that, among other things, the returns fabricated and/or falsely overstated items including Education Credits and expenses, as set forth below:

Count	Client	Tax Year	Filing Date (Approx.)	Nature of Fabricated or Inflated Item(s)	Fabricated/Inflated Amounts (Approx.)
1	AN	2012	03/18/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
2	DF	2011	04/23/2012	Education Expenses Education Credit	\$ 4,000 \$ 1,000

Count	Client	Tax Year	Filing Date (Approx.)	Nature of Fabricated or Inflated Item(s)	Fabricated/Inflated Amounts (Approx.)
3	DF	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
4	KF	2011	08/20/2012	Education Expenses Education Credit	\$ 4,000 \$ 1,000
5	SF	2011	04/9/2012	Education Expenses Education Credit	\$ 4,000 \$ 1,000
6	SF	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
7	MS	2011	08/06/2012	Education Expenses Education Credit	\$ 4,000 \$ 1,000
8	MS	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
9	CG	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
10	IG	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
11	CJ	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
12	RM	2012	03/18/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000
13	CR	2012	03/11/2013	Education Expenses Education Credit	\$ 4,000 \$ 1,000

(Title 18, United States Code, Section 287.)

*Preet Bharara*

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PREET BHARARA  
United States Attorney



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