



February 6th, 2008

Two Memphis Residents Charged with Tax Fraud

Memphis, TN – Sherry Hobson, 43, and Betty Sisson, 43, both of Memphis, Tennessee, have been indicted by a federal grand jury in Memphis. TN announced David Kustoff, United States Attorney for the Western District of Tennessee . The indictment was returned back on December 19, 2007, and both Hobson and Sisson recently appeared in court to enter not guilty pleas. A trial will be set for later this year.

Hobson was charged with one count of conspiracy to file false claims against the United States and 18 counts of filing false claims against the government. Sisson was charged with one count of conspiracy to file false claims against the United States, nine counts of filing false claims against the government, and once count of filing a false 2004 federal income tax return.

According to the indictment, Hobson and Sisson devised a scheme to obtain payment of false claims for refunds from the Internal Revenue Service (IRS) by filing and causing to be filed false federal income tax returns claiming refunds from the IRS. The fraudulent tax returns contained false and fictitious wages and withholding amounts, thus generating tax refunds for other individuals that they were not entitled to receive.

The returns named in the indictment pertain to 2003 and 2004 federal tax returns for Sisson and other individuals. The fraudulent returns claimed refunds totaling \$81,851.00.

Additionally, Sisson was charged with filing a false 2004 individual income tax return in her name that represented her adjusted gross income to be \$15,132.00, when she knew that her adjusted gross income was substantially greater.

This investigation was conducted by IRS Criminal Investigation. Assistant U.S. Attorney Vivian Donelson will represent the government.

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Note: An indictment is a form of accusation and is not evidence of guilt. The defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.