



The United States Attorney's Office

Western District of Virginia

NEWS RELEASE UNITED STATES ATTORNEY'S OFFICE WESTERN DISTRICT OF VIRGINIA

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WINCHESTER WOMAN SENTENCED

United States Attorney John L. Brownlee and Charles R. Pine, Special Agent-in-Charge, Internal Revenue Service (IRS), Criminal Investigation, Alexandria Field Office, announced today that Katrina Stine-Hanson, the former employee of a tax preparation service in Winchester, Va. was sentenced by the Honorable Glen E. Conrad to serve fifteen months of imprisonment, followed by one year of supervised release. Stine-Hanson was ordered to pay a fine of \$1,000.00 and a special assessment of \$200.

Katrina Stine-Hanson, 46, of Winchester, Virginia was indicted on March 8, 2007, for thirteen-counts of Aiding and Assisting the Preparation of Fraudulent Income Tax Returns. The indictment alleged that Stine-Hanson, a return preparer, engaged in a scheme to obtain fraudulent refunds for clients by falsifying itemized deductions on their U.S. Individual Income Tax Returns, Forms 1040. On September 5, 2007, Stine-Hanson entered a guilty plea to two counts of the indictment before Magistrate Judge James G. Welsh.

United States Attorney Brownlee stated that, "Income tax preparers are responsible for ensuring that their clients' income taxes are accurately and properly reported on their returns." "Preparing false tax returns is a federal crime and those who knowingly attempt to cheat the government by claiming false deductions will be prosecuted and sent to prison."

According to the indictment, between February 2001 and March 2002, Stine-Hanson prepared false federal income tax returns for taxpayers which resulted in substantially greater refunds than they were entitled to. The fraudulent income tax returns contained inflated or fabricated itemized deductions such as charitable contributions, job expenses, and other miscellaneous expenses to which the taxpayers were not in fact entitled to claim as deductions.

Charles Pine, Special Agent-in-Charge of IRS Criminal Investigation's Alexandria Field Office said, "While most return preparers provide excellent service to their clients, a few unscrupulous tax preparers file false and fraudulent returns to defraud the government, the tax paying public and their own clients. IRS Criminal Investigation will vigorously pursue all return preparers who engage in this type of illegal activity to protect the integrity of the tax system."