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FOR IMMEDIATE RELEASE**

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TAX RETURN PREPARER SENTENCED TO PRISON

GREENBELT, Maryland - United States Attorney for the District of Maryland Allen F. Loucks announces that today U.S. District Court Judge Alexander Williams, Jr. sentenced Karen D. Harrison, age 50, of Washington, D.C., to 15 months in prison followed by three years of supervised release for income tax evasion and aiding and abetting the filing of false tax returns.

According to evidence presented during the trial in January 2005, Karen Harrison operated a tax return preparation business in Landover, Maryland and Washington, D.C., during 1997 through 1999. During this time, Harrison prepared hundreds of income tax returns for her clients. Several of Harrison's former clients testified that Harrison prepared returns claiming tax deductions to which the clients were not entitled. These clients testified that they did not provide Harrison with the information to support the false deductions. In this way, Harrison was able to generate tax refunds to which her clients were not entitled. The jury convicted Harrison on eight counts of preparing false tax returns. Harrison was found not guilty on four counts of preparing false returns.

Evidence presented at trial further established that in 1998, Harrison received more than \$88,000 in connection with her tax return preparation business. For that year, Harrison filed her

own income tax return with the Internal Revenue Service reporting that she received only \$38,000 in connection with her tax return business, failing to report over \$50,000. The jury convicted Harrison of attempting to evade her income taxes for that year. Harrison was found not guilty of evading her taxes for the prior year, 1997.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division. The case was prosecuted by Assistant United States Attorneys Michael R. Pauzé and Mythili Raman.