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**TWO PLEAD GUILTY TO MAKING FALSE CLAIMS IN CONNECTION  
WITH FRAUDULENT TAX REFUND SCHEME**

FRESNO--United States Attorney John K. Vincent and IRS Criminal Investigation Special Agent in Charge Victor Song announced today that LETICIA MIRANDA, 28, and her brother, MIGUEL MENDOZA, 37, of Porterville, pled guilty today before United States District Court Judge Anthony W. Ishii, to making false claims against the United States in connection with an illegal tax refund scheme.

According to Assistant United States Attorneys Mark Cullers, Sheila K. Oberto, and E. Robert Wright who are prosecuting the case, the defendants were part of a group of individuals who allegedly executed one of the numerous tax refund schemes operating in the Central Valley. The schemes consisted of individuals who submitted false 1040 Individual Income Tax Returns to the Internal Revenue Service in order to receive false refund checks.

LETICIA MIRANDA and MIGUEL MENDOZA admitted that in furtherance of the scheme to defraud the Internal Revenue Service, they allowed their sister and co-defendant, ELVIA RUIZ, to use their respective addresses and post office boxes for receipt of tax refund checks. MIRANDA and MENDOZA also admitted to receiving tax refund checks from RUIZ, endorsing them with their respective signatures, and depositing them into their respective bank accounts at RUIZ's direction and instruction. MIRANDA and MENDOZA further admitted to depositing the tax refund checks through the Automatic Teller Machine, waiting approximately 3 to 5 days, and withdrawing the money from their account. Once the checks cleared, at RUIZ's direction, MIRANDA would leave \$150 in her account for each deposited check and give the balance to RUIZ. MENDOZA would also keep approximately \$100 to \$200 for each deposited check and give the balance to RUIZ.

The charges against ELVIA RUIZ are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

According to Victor Song, "These guilty pleas serve as further notice that the IRS has

made the detection and prosecution of fraudulent tax refund schemes a high priority.

MIRANDA is scheduled to be sentenced on May 12, 2003, and MENDOZA is scheduled to be sentenced on May 19, 2003 before Judge Ishii at 9:00 a.m. Each faces up to five years in prison and a \$250,000 fine.

This case was the result of an investigation by the Criminal Investigation Division of the Internal Revenue Service.

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