



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

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Daryl Fields, Public Affairs

610 N.W. Loop 410

San Antonio, Texas 78216

(210) 384-7440

**AUSTIN MAN SENTENCED TO FEDERAL PRISON FOR ASSISTING IN THE
PREPARATION OF FALSE AND FRAUDULENT INDIVIDUAL INCOME TAX RETURNS**

(Austin, Texas) U.S. Attorney **Johnny Sutton** announced that 29-year-old **JASON ANDREW SIMS** of Austin was sentenced this morning to 18 months in federal prison and ordered to pay a \$2,000 fine for aiding and assisting in the preparation of false and fraudulent individual income tax returns.

“Today’s sentencing should send a strong message that there will be serious consequences for those who commit tax fraud,” stated U.S. Attorney Johnny Sutton.

On January 30, 2003, Sims, a former employee of the Dell Computer Corporation, pled guilty to twenty-one counts of aiding and assisting in the preparation of false and fraudulent individual income tax returns. Sims admitted he was involved in a scheme from February 1999 to on or about October 26, 2000, to collect fees for preparing some 70 false tax returns for friends and co-workers at Dell. Sims admitted he prepared false Schedule Cs, which are attached to Individual Income Tax Returns, Form 1040. Schedule Cs are used to report income and expenses by sole-proprietors. Sole proprietors are personal businesses owned by a single individual. All of the Schedule Cs were false and fraudulent in that the reported schedule C businesses did not exist and therefore could not have generated the income and expenses reported. Unjustified refunds resulting from the scheme amounted to approximately \$250,000.

Sims also assisted the taxpayers in preparing for audits by Internal Revenue Service personnel. Sims provided taxpayers with false receipts and documentation in support of the false and fraudulent Schedule Cs. In addition, Sims prepared the taxpayers with possible questions by auditors and suggested answers.

Sims received a fee for his fraudulent services, usually a percentage (usually 13.35%) of the difference between what the taxpayer should have properly paid in taxes and the lower tax amount figured by Sims.

“Those who deliberately undermine the lawful function of the Internal Revenue Service will be held accountable for their actions,” stated Special Agent in Charge Enrique Fasci of the Internal Revenue Service - Criminal Investigation.

This case is being investigated by special agents with the Internal Revenue Service - Criminal Investigation and prosecuted by the Chief of the Austin Division, Assistant United States Attorney Mark Lane.

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