## **NEWS RELEASE**

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## FOR IMMEDIATE RELEASE

August 21, 2003

## GRAND JURY INDICTS WICHITA WOMAN - AN AFFILIATED TAX PREPARER WITH RENAISSANCE, THE TAX PEOPLE

KANSAS CITY, Kan. – United States Attorney Eric Melgren announced today that Elizabeth Crotts, 45, Wichita, Kansas, was indicted on August 21, 2003, by a federal grand jury in Kansas City, Kansas, and charged with 37 counts of willfully assisting taxpayers in filing false and fraudulent federal income tax returns and one count of obstructing the administration of Internal Revenue laws by submitting false affidavits to the U.S. Department of Justice.

Melgren said that Crotts is scheduled to make her initial appearance in U.S. District Court in Kansas City, Kansas, on September 18, 2003, at 10:00 a.m. before U.S. Magistrate Judge James P. O'Hara. If convicted, Crotts faces a maximum of three years in federal prison, without parole, on each count.

The indictment alleges that Renaissance, the Tax People, Inc., was a multi-level marketing company that purportedly specialized in the sales and service of home-based business packages involving tax strategies and tax services and that as part of the home-based business package, Renaissance offered tax support to its members in the form of tax return preparation, tax advice, and audit protection. According to the indictment, Crotts was an income tax preparer listed in Renaissance promotional material as belonging to its "Affiliated Tax Preparer Network." The indictment alleges that from February 2000 until April 2001, Crotts willfully assisted thirty-seven taxpayers in filing false federal income tax returns that included false Schedule C losses. The indictment further alleges that from June 29, 2002, through July 12, 2002, Crotts obstructed the administration of the Internal Revenue laws by soliciting, obtaining, and submitting false affidavits from her clients to the U.S. Department of Justice, Tax Division.

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The case is being investigated by the IRS and the U.S. Postal Inspection Service and is being prosecuted by Assistant U.S. Attorney Scott Rask and Department of Justice Tax Trial Attorneys Charles O'Reilly and Lea Carlisle.

Melgren noted that the investigation continues. "Those who choose to willfully violate federal tax laws need to be aware that these cases will be aggressively investigated by the IRS and prosecuted by the U.S. Attorney's Office in Kansas," Melgren said.

"Individuals who prepare tax returns for others have a responsibility to file accurate tax returns for their clients," said Michael E. Yasofsky, Jr., Acting Special Agent in Charge of the St. Louis Field Office of IRS Criminal Investigation. "The IRS aggressively pursues dishonest tax preparers or promoters of fictitious tax deductions and credits and will aggressively investigate those who intentionally cause the preparation and filing of false tax returns."

As in any criminal case, a person is presumed innocent until and unless proven guilty. The Indictments filed merely contain allegations of criminal conduct.