



U.S. Department of Justice
United States Attorney
District of Kansas

NEWS RELEASE

Eric Melgren, U.S. Attorney

Contact: Kena Rice

(316) 269-6481

Headquarters

1200 Epic Center
301 N. Main
Wichita, Kansas 67202
(316)269-6481
FAX (316)269-6484

Topeka Office

444 Quincy
Topeka, Kansas 66683

Kansas City Office

500 State Avenue
Suite 360
Kansas City, Kansas
66101

FOR IMMEDIATE RELEASE

December 11, 2003

GRAND JURY RETURNS INDICTMENTS

KANSAS CITY, Kan. – United States Attorney Eric Melgren announced that three individuals were indicted on Wednesday, December 10, 2003, by a federal grand jury in Kansas City, Kansas. Those indicted include:

AFFILIATED TAX PROFESSIONAL WITH RENAISSANCE, THE TAX PEOPLE, INC., INDICTED

- ! **Alexander Anthony Federico**, 50, Wichita, Kansas, is charged with forty counts of assisting, counseling, and advising the preparation of false and fraudulent federal income tax returns.

The indictment alleges that Federico assisted, counseled, and advised the preparation of false and fraudulent federal income tax returns from April 2000 through June 2002. The indictment also alleges that during this time period, Federico was an Affiliated Tax Professional with Renaissance, The Tax People, Inc., a multilevel marketing company that purportedly specialized in the sales and service of home-based business packages involving tax strategies and tax services. The indictment further alleges that these income tax returns included false and fraudulent Schedule A deductions for donations to charity, false and fraudulent Schedule C losses, and false and fraudulent other losses, which the taxpayers were not entitled to claim in amounts ranging from \$1,275 to \$51,682.

If convicted, Federico faces a maximum of three years in federal prison, without parole, on each count. Federico is scheduled to make his initial appearance in U.S. District Court in Kansas City, Kansas, before U.S. Magistrate Judge David J. Waxse on December 18, 2003. The case was investigated by the Internal Revenue Service, Criminal Investigation and the United States Postal Inspection Service and is being prosecuted by DOJ - Tax Division Trial Attorneys Charles O'Reilly and Lea Carlisle and Assistant U.S. Attorney Scott Rask.

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! **Michael Hooks**, 26, Lawrence, Kansas, currently in custody, is charged with one count of possession with the intent to distribute 5 grams or more (.18 ounce or more) of crack cocaine on January 13, 2003; four counts of distributing crack cocaine between October 29, 2003, and November 6, 2003; two counts of distributing 5 grams or more (.18 ounce or more) of crack cocaine on November 10, 2003, and November 17, 2003; and one count of possession with the intent to distribute 5 grams or more (.18 ounce or more) of crack cocaine within 1,000 feet of Schwegler Elementary School in Lawrence, Kansas, on November 21, 2003.

If convicted, Hooks faces a minimum of five years and a maximum of eighty years in federal prison, without parole, for distributing crack cocaine within 1,000 feet of an elementary school; a minimum of five years and a maximum of forty years for possession with intent to distribute 5 grams or more of crack cocaine and for each count of distributing 5 grams or more of crack cocaine; and a maximum of twenty years for distributing crack cocaine. Hooks is scheduled to make his next court appearance on December 18, 2003, in U.S. District Court in Kansas City, Kansas, before U.S. Magistrate Judge David J. Waxse. The case was investigated by the Lawrence Police Department and the Douglas County Sheriff's office and is being prosecuted by Assistant U.S. Attorney Scott Rask.

! **Hector Pimental, 24**, El Paso, Texas, currently in custody, is charged with one count of possession with the intent to distribute 500 grams or more (1.1 pounds or more) of cocaine on November 28, 2003, in Sedgwick County, Kansas.

If convicted, Pimental faces a minimum of five years and a maximum of forty years in federal prison without parole. The case was investigated by the Drug Enforcement Administration and the Kansas Highway Patrol.

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