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#### LYNN COUPLE CONVICTED ON TAX SCHEME

BOSTON, MA - A Lynn man and woman were convicted by a jury after an eight day trial, late yesterday in U.S. District Court for filing bogus tax returns to obtain fraudulent federal tax refunds.

United States Attorney Michael J. Sullivan and Douglas A. Bricker, Special Agent in Charge of the Boston Field Office for the U.S. Internal Revenue Service - Criminal Investigation, Boston Field Office, announced that ESTHER ARIAS, age 29, and EDWIN GONZALEZ, age 34, both formerly living at 23 Rockmere Gardens, Apt. #1 in Lynn, Massachusetts, were convicted by a jury. GONZALEZ was convicted of Conspiracy and 5 counts of filing false and fraudulent tax returns; ARIAS was convicted on the Conspiracy charge and 15 counts of Filing false and fraudulent tax returns. The jury acquitted ARIAS on two additional counts.

Evidence presented during the trial proved that from February 1999 to April 2004, the defendants participated with Esther Percel, the mother of ARIAS, in a scheme to use stolen identities to file more than 45 fraudulent tax returns in the names of other individuals for the purpose of illegally collecting federal and state tax refunds. Percel pleaded guilty on October 9, 2007, and is scheduled for sentencing on January 3, 2008.

U.S. Attorney Michael J. Sullivan said, "The success of this investigation and prosecution can be attributed to tremendous interagency cooperation. These individuals stole identities and used them for their own greed, without any regard for the victims and the impact it would have on their lives."

"The object of schemes like these is to defraud the government and the taxpaying public. IRS special agents identified and investigated the individuals involved in the scheme and the results help promote justice and confidence in our tax system. Honest taxpayers need to know there are consequences for those who intentionally violate our country's tax laws," stated Douglas Bricker, Special Agent in Charge of the IRS Criminal Investigation Division.

Sentencing for GONZALEZ and ARIAS is scheduled for January 24, 2008. The defendants face up to 10 years imprisonment on the Conspiracy conviction, to be followed by 3 years of supervised release, and a \$ 250,000 fine. For each conviction of filing false and fraudulent tax returns, the defendants face up to 3 years in prison, followed by 1 year supervised release and a fine of \$100,000.

The case was investigated by the Criminal Investigation Division of the Internal Revenue Service, Boston Field Office, with significant assistance from the Lynn Police Department, U.S. Postal Inspection Service and the Massachusetts Department of Revenue. It is being prosecuted by Assistant U.S. Attorney Victor A. Wild of Sullivan's Economic Crimes Unit.

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