



Department of Justice

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ADAMS SENTENCED FOR FRAUDULENT W-2's USED TO FILE FALSE TAX RETURNS

ATLANTA, GA - ANTONIO MILLIGE ADAMS, 37, of Atlanta, Georgia, was sentenced today by United States District Judge Thomas W. Thrash, Jr. on charges of conspiring to defraud the United States by assisting others in filing false claims for income tax refunds with the Internal Revenue Service.

United States Attorney David E. Nahmias said of the case, "Dishonest tax return preparers who concoct schemes to steal public money face federal prosecution and federal prison. The defendant in this case not only filed fraudulent returns and participated in a wide-ranging scheme to assist others in doing the same, but also acted as the 'enforcer' in the scheme, using threats and intimidation to collect unlawful 'fees' from those who were enlisted to file false returns."

IRS-Criminal Investigation Special Agent in Charge Reginael McDaniel said, "IRS Criminal Investigation currently stops the payment of \$1 billion in fraudulent refunds each year, as unfortunately, there are individuals who are relentless in trying to defeat the integrity of our nation's tax system. IRS Criminal Investigation will continue to aggressively pursue the investigation of these individuals to stop taxpayer money from getting into the hands of criminals."

ADAMS was sentenced to 4 years, 3 months in federal prison to be followed by 3 years of supervised release, and ordered to pay \$117,368.57 in restitution; specifically, \$69,752.94 to the IRS and \$47,615.63 to the victim bank, Santa Barbara Bank & Trust. ADAMS pleaded guilty to the charges on August 6, 2008.

According to United States Attorney Nahmias and the information presented in court: Beginning in January 2002 and continuing through August 2004, ADAMS conspired with co-defendant MARLA NICOLE WELLS and others to electronically file tax returns for dozens of individuals, claiming refunds to which they were not entitled. The total losses resulting from the conspiracy exceeded \$222,597. A dozen or more fraudulent returns claiming a total of \$60,504 in refunds were filed but not paid, as the investigation had uncovered the scheme and the IRS was able to stop the refund

payments.

ADAMS and WELLS enlisted the assistance of recruiters to find people who were willing to file fraudulent tax returns, paying the recruiters a small fee. Once found, WELLS, often accompanied by ADAMS, provided the “filer” with a false W-2 that she created listing employers for whom the individuals filing the fraudulent tax returns had never worked. To ensure that they received their fee plus a portion of the fraudulent return (which could be as much as half the refund), ADAMS and WELLS directed the filers to seek refund anticipation loans. ADAMS and WELLS occasionally accompanied the filers to the bank to get the money or held their identification until they returned with the money. ADAMS acted as WELLS’ “enforcer,” using threats and intimidation to ensure that the filers paid them for their fraudulent tax services. Several filers witnessed ADAMS carrying a firearm when accompanying them to get paid. The filers were often unemployed or had very low income.

After ADAMS learned of the charges against him in November 2006, ADAMS fled the State of Georgia in an attempt to avoid arrest. He traveled to Las Vegas, Nevada and Jacksonville, Florida, before returning to Georgia, where he was arrested on March 6, 2008, by the United States Marshals Service. Because of his extensive prior criminal history, including prior convictions for aggravated assault, possession of a firearm by a convicted felon, and various drug offenses, ADAMS faced a higher sentence by the court.

WELLS was convicted of the same conspiracy charges on June 27, 2007, and was sentenced to 30 months in federal prison on September 26, 2007.

This case was investigated by Special Agents of the Internal Revenue Service-Criminal Investigation.

Assistant United States Attorneys Susan Coppedge and Stephen H. McClain prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.