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WOMAN SENTENCED TO 46 MONTHS IN TAX REFUND SCHEME

FRESNO -- United States Attorney McGregor W. Scott and IRS Criminal Investigation Special Agent in Charge, Victor Song, announced today that ELVIA RUIZ, 37, of Terra Bella, was sentenced today by U.S. District Court Judge Anthony W. Ishii in Fresno in connection with an illegal tax refund scheme. ELVIA RUIZ was sentenced to 46 months in custody, to be followed by a three-year term of supervised release and an assessment of \$100. In sentencing RUIZ, Judge Ishii determined that RUIZ' conduct, as described below, involved "sophisticated means" pursuant to the United States Sentencing Guidelines and that she acted as the "organizer and leader" of the scheme to defraud the Internal Revenue Service.

ELVIA RUIZ admitted that in furtherance of the scheme to defraud the Internal Revenue Service, she rented, or had access to, post office boxes which belonged to her, her sister, her brother, her father and her boyfriend who were all co-defendants in this case. RUIZ also used some of these people's work and home addresses to receive false refund checks. RUIZ admitted to knowing that the tax refund checks that were mailed to those post office boxes were obtained with false tax returns prepared by her or by someone else.

RUIZ also admitted to cashing the fraudulently obtained tax refund checks that were mailed to her post office boxes, and to other people's homes, work addresses, and post office boxes, including the home and work addresses and/or post office boxes of co-defendant family members. RUIZ further admitted to receiving false refund checks from her co-defendant Arjelia Hernandez. She knew that all of these refund checks were made out to fictitious workers who had not worked in the United States, who had no federal income tax withholdings, and who were not entitled to any tax refunds from the United States. RUIZ knew that the claims resulting in the tax refund checks were false, fictitious, and fraudulent.

According to Assistant United States Attorneys Mark Cullers, Sheila K. Oberto, and E. Robert Wright who prosecuted the case, the case was part of a crackdown by the IRS on numerous tax

refund schemes operating in the Central Valley. The schemes consisted of individuals who submitted false 1040 Individual Income Tax Returns to the Internal Revenue Service in order to receive false refund checks. To date, 16 people have entered guilty pleas in connection with the illegal tax refund scheme.

According to SAC Victor Song, "These cases represent a significant priority for IRS. We are committed to working with the US Attorney's Office to combat false tax return schemes such as this."

This case was the result of an investigation by the Criminal Investigation Division of the Internal Revenue Service.

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