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## **PRESS RELEASE**

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**FOR IMMEDIATE RELEASE**  
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### **TAX PREPARER SENTENCED FOR PREPARING FALSE RETURN**

**PHOENIX** - The United States Attorney's Office for the District of Arizona announced that on April 5, 2004, Sally Garcia, DOB 2/19/52, of Phoenix was sentenced to 18 months in prison by United States District Judge Roslyn O. Silver in Phoenix.

According to an indictment filed April 2, 2003, Garcia assisted 12 different clients in the preparation of 18 different false and fraudulent federal income tax returns spanning a three year period from 1997 through 1999. Garcia operated through her tax preparation business located in Phoenix and prepared original returns which either inflated or fabricated Schedule A and Schedule C deductions and expenses, claimed false or fraudulent credits, and also manipulated the filing status of clients.

Several of the charges involved creating business losses by reporting nonexistent Schedule C income and then claiming non-deductible expenses which exceeded the income resulting in Schedule C losses, frequently resulting in a tax refund or reduction in taxes owed. According to the indictment Garcia also knew and believed that the clients were not entitled to the refund amounts claimed.

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Garcia had pleaded guilty in September 2003 to one count of Aiding and Abetting the Preparation of a False Tax Return with the Internal Revenue Service, in violation of Title 26, United States Code, Section 7206(2).

This investigation in this case was conducted by special agents of the Phoenix Field Office of IRS Criminal Investigation.

The prosecution is being handled by Daniel Drake, Assistant United States Attorney, District of Arizona, Phoenix, Arizona.

CASE NUMBER: CR-03-0333-PHX-ROS  
RELEASE NUMBER: 2004-81

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