



Department of Justice

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FOR IMMEDIATE RELEASE

09/26/07

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UNION CITY WOMAN SENTENCED TO PRISON FOR PROVIDING FRAUDULENT W-2's USED TO FILE FALSE TAX RETURNS

ATLANTA, GA - MARLA NICOLE WELLS, 38, of Union City, Georgia was sentenced today by United States District Judge Thomas Thrash 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, "Return preparers who concoct schemes to steal public money face federal prosecution and federal prison. Individuals cannot fraudulently enrich their bank accounts at the expense of the United States Treasury and other taxpayers."

Rodney E. Clarke, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation, said, "the object of these schemes is to defraud the government and the taxpaying public. In this case, IRS-CI has identified and investigated those involved in this scheme. The message we are sending in this and all similar cases is that participation in refund fraud schemes does not pay, and those who seek to defraud the IRS may face federal prison."

WELLS was sentenced to two years, six months in federal prison to be followed by three years of supervised release, and ordered to pay restitution in the amount of \$222,597. WELLS was convicted of the charges on June 27, 2007.

According to United States Attorney Nahmias and the information presented in court: Beginning in January 2002 and continuing through August 2004, WELLS conspired with others to electronically file tax returns for approximately 59 individuals, claiming refunds to which they were not entitled. The total losses amounted to \$222,597. A dozen more fraudulent returns claiming a total of \$60,504 in refunds were filed but never paid, as the investigation had uncovered the scheme and the IRS was able to stop the refund payments.

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 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, including her own full-time employer, BellSouth. To ensure that WELLS got her fees plus a portion of the fraudulent refund (which could be as much as half of the refund), she directed them to seek refund anticipation loans on behalf of the filer, and occasionally accompanied the filer to the bank to get the money or held their identification until they returned to her with the money. The “filers” were often indigent or had very low income. On at least one occasion, WELLS deposited the fraudulently obtained refund anticipation loan proceeds into her own bank account. She used some of her ill-gotten gains to purchase a luxury Mercedes automobile.

This case is being investigated by Special Agents of the Internal Revenue Service.

Assistant United States Attorney Susan Coppedge is prosecuting 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.