



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Bobby "Sweets" Coward, Jr.

Detroit Loan Officer Pleads Guilty to Conspiracy to Defraud the IRS

Bobby "Sweets" Coward, Jr., 29, of Detroit, Michigan, a loan officer, pleaded guilty to conspiring to aid others in the filing of false claims, attempting to defraud the Internal Revenue Service of over \$113,000, United States Attorney Stephen J. Murphy announced.

United States Attorney Murphy was joined in the announcement by Maurice M. Aouate, Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

According to court records, between January 1st and April 15th of 2003, Coward, Jr., conspired and agreed with Vassalo Russell and Eric Tyler, among others, to submit false federal income tax returns claiming false, fictitious, and fraudulent income, tax withholdings, and refunds from the Internal Revenue Service. Specifically, Coward, Jr. provided false Forms W-2 to taxpayers.

According to court records, in March 2006, Vassalo Russell, of Detroit, was sentenced

to 87 months imprisonment for threatening to use a weapon of mass destruction against U. S. government property, a false claim conspiracy, and a probation violation from a prior federal bank fraud conviction. In November 2006, Eric Tyler was sentenced to 12 months and a day, followed by three years supervised release after pleading guilty to a false claim conspiracy.

U.S. Attorney Murphy said, "Our American system of voluntary filing of tax returns depends on the honesty and integrity of citizens. When loan officers such as the defendant in this case conspire to submit numerous false claims, we have a serious breakdown of the system that requires criminal prosecution. I congratulate the team from our office and the IRS that successfully pursued this tax fraud ring."

"The IRS Fraud Detection Center in Andover, Massachusetts, picked up on this fraudulent claim scheme, made on the behalf of various individuals in the metro Detroit area," said Aouate. "As the result of the Fraud Detection Center's timely efforts, along with IRS Criminal Investigation, very few of the refunds were actually paid out by IRS." Sentencing is scheduled for May 25, 2006 at 2:00 pm, before United States District Judge Gerald E. Rosen.

United States Attorney Murphy commended the Internal Revenue Service, Criminal Investigation for its diligent investigation leading to the successful prosecution of Bobby Coward, Jr., Vassalo Russell and Eric Tyler. The case was prosecuted by Assistant United States Attorney Kenneth R. Chadwell.