



FOR IMMEDIATE RELEASE
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PEORIA TAX RETURN PREPARER INDICTED ON 14 FEDERAL CHARGES

PHOENIX - A federal grand jury in Phoenix returned a 14-count indictment on April 1, 2008, against Maria Orona, 47, of Peoria, Ariz., for the charges of Aiding and Assisting in the Presentation of False and Fraudulent Individual Income Tax Returns. The indictment alleges that while Orona owned and operated Esperanza Tax Service, she prepared the allegedly fraudulent returns herself in 2004, 2005 and 2006, charging between \$65 and \$100. Orona was arrested without incident this morning and will make her initial appearance in federal court today at 3:00 p.m.

The Indictment also indicates that between March 21, 2006 and April 4, 2006 the Criminal Investigation unit of IRS conducted three separate undercover operations in which IRS agents posed as clients in order to have Orona prepare their Federal Income Tax Returns for the year 2005. The Indictment states that in each undercover contact, Orona prepared tax returns in which she falsely reduced the tax due. These undercover contacts resulted in false returns being prepared that collectively claimed a total of approximately \$44,853 in false expenses and a reduced tax liability of approximately \$3,406. The undercover agents did not provide Orona with any indication that they had incurred any of the false deductions that were placed upon the completed income tax returns.

According to the Indictment the IRS Examination Division utilized the information based on the results of the undercover operation, and initiated audits on approximately 200 tax returns prepared by Orona. The IRS determined most of the returns contained overstated itemized deductions and other false items that reduced the tax liabilities resulting in an additional tax due and owing on the 200 returns of approximately \$283,242.

A conviction for Presenting False Tax Returns carries a maximum penalty of three years, a \$100,000 fine or both. In determining an actual sentence, the assigned judge will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The investigation preceding the indictment was conducted Special Agents of the Internal Revenue Service, Criminal Investigation. The prosecution is being handled by Peter Sexton, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-08-0262-PHX
RELEASE NUMBER: 2008-084(Orona)

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