

For Immediate Release
January 24, 2012

**SILVER CITY MAN INDICTED FOR USING STOLEN
IDENTITIES TO OBTAIN TAX REFUNDS**

ALBUQUERQUE – **Douglas J. Kuester**, of Silver City, N.M., was arrested today on identity theft and tax fraud charges, the Justice Department and the Internal Revenue Service (IRS) announced. A federal grand jury in Las Cruces, N.M., returned an indictment under seal on January 18, 2012, charging Kuester with using stolen identities to file false tax returns. The 41-count indictment, which was unsealed after Kuester’s arrest, charges Kuester with filing false claims, wire fraud, and aggravated identity theft.

According to the indictment, between 2007 and 2010, Kuester used stolen identities to file false tax returns that fraudulently claimed refunds. Further, Kuester had the fraudulent refunds delivered to him or deposited into accounts that he controlled.

U.S. Attorney Kenneth J. Gonzales said, “Douglas Kuester is charged with using stolen identities to obtain fraudulent income tax refunds. This criminal conduct results not only in a financial loss to the U.S. Treasury, but also causes harm and hardship to the victims of identity theft. While I am committed to working with the IRS to identify, investigate and vigorously prosecute those who are involved in tax refund related identity theft schemes like the one charged in this case, it is important for each of us to take steps to protect ourselves against identity theft by safeguarding personal information such as our social security numbers and dates of birth.”

“The Justice Department is working closely with the IRS to investigate, prosecute, and punish tax refund crimes committed through the theft of identities,” said Principal Deputy Assistant Attorney General John A. DiCicco of the Justice Department’s Tax Division. “Now,

more than ever, we must remain vigilant against the unauthorized use of identification information to defraud the U.S. government.”

“The IRS is aggressively pursuing those who steal others’ identities in order to file false returns,” said Steven Miller, IRS Deputy Commissioner for Services and Enforcement. “Our cooperative work with the U.S. Attorney’s Office and the Tax Division will help protect taxpayers in New Mexico from being victimized by identity theft. The IRS is taking additional steps this tax season to further prevent, detect and resolve identity theft cases as soon as possible.”

An indictment merely alleges that crimes have been committed, and the defendant is presumed innocent until proven guilty beyond a reasonable doubt. If convicted, Kuester faces a potential maximum penalty of five years in prison for each false claims count, 20 years in prison for each wire fraud count, and a mandatory two-year sentence for each aggravated identity theft count, to run consecutive to any other sentence imposed. He is also subject to fines and mandatory restitution if convicted.

The case was investigated by the IRS - Criminal Investigation. The United States Attorney’s Office in Las Cruces, N.M. and Tax Division trial attorneys Jason H. Poole and Gregory P. Bailey are prosecuting the case.

Additional information about the Tax Division and its enforcement efforts may be found at www.justice.gov/tax.

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