



U.S. Department of Justice
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NEWS RELEASE

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RENAISSANCE, THE TAX PEOPLE, INC., - WICHITA, KANSAS, MAN ENTERS GUILTY PLEA FOR ASSISTING IN THE FILING OF A FALSE FEDERAL INCOME TAX RETURN

KANSAS, Kan. – United States Attorney Eric Melgren announced that **Alexander Anthony Federico**, 50, Wichita, Kansas, entered a guilty plea today before U.S. District Judge Carlos Murguia to **one count of assisting, counseling, and advising the preparation of a false and fraudulent federal income tax return.**

Melgren said that Federico admitted at his plea that he assisted, counseled, and advised the preparation of a false and fraudulent federal income tax return on April 15, 2001. Federico further admitted that he was an Affiliated Tax Professional with Renaissance, The Tax People, Inc., a multilevel marketing company that purportedly specialized in the sales and service of home-based business packages involving tax strategies and tax services. Federico admitted that the income tax return included false and fraudulent Schedule A deduction of \$5,550 for charitable contributions, and overstated and fraudulent losses on a Schedule C of \$22,970. Federico further admitted that throughout the time that he was involved with Renaissance, The Tax People, he knowingly and willfully prepared this federal income tax return, as well as numerous others, that fabricated Schedule C business deductions, treated personal living expenses as business deductions, and made other misrepresentations that resulted in under-reporting and underpaying income tax owed to the Internal Revenue Service. Federico further admitted that he knowingly and willfully prepared at least forty-three false and fraudulent federal income tax returns, causing a tax loss in excess of \$120,000 to the Internal Revenue Service.

Federico faces a maximum of three years in federal prison without parole. Sentencing is set for October 25, 2004, at 10:30 a.m.

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Melgren commended the excellent work of the Internal Revenue Service and the United States Postal Inspection Service in this investigation and Assistant U.S. Attorney Scott Rask, along with DOJ Attorneys Charles A. O'Reilly and Lea Carlisle, in this prosecution and noted that the investigation is continuing.

“Taxpayers should choose carefully when hiring a tax preparer,” said Al Patton, Special Agent in Charge of IRS Criminal Investigation. “Unscrupulous tax preparers file false and fraudulent returns to defraud the government, the taxpaying public and their own clients.”