



Department of Justice

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UNION CITY WOMAN SENTENCED TO PRISON FOR CONSPIRACY TO SUBMIT FRAUDULENT INCOME TAX RETURNS

Majalai Wisdom Prepared Returns For Customers Based On False W-2 Forms

Atlanta, GA - MAJALAI WISDOM, 49, of Union City, Georgia, was sentenced today by United States District Judge Beverly B. Martin on the charge of conspiracy to submit false claims to the United States in connection with a false income tax refund scheme.

United States Attorney David E. Nahmias said, "We are committed to the prosecution of tax preparers who undermine the federal tax system by assisting in the filing of 'padded' and fraudulent refund claims. Preparers like this defendant seek to enrich themselves by essentially stealing from all of us who pay our taxes honestly. This case demonstrates that these criminals should not expect a slap on the wrist; they should expect to be prosecuted and to spend time in federal prison."

IRS Criminal Investigation Special Agent In Charge Reginael D. McDaniel said, "IRS Criminal Investigation is determined to stop these false tax refund schemes. The message this case sends is that participation in refund fraud schemes does not pay and those who do face prosecution and prison."

WISDOM was sentenced to 2 years, 6 months in prison to be followed by 3 years of supervised release. WISDOM was convicted of these charges on April 8, 2008.

According to United States Attorney Nahmias and the information presented in court: During the 2000 through 2004 tax seasons, WISDOM ran a scheme by which she prepared fraudulent income tax returns for taxpayers and collected a percentage of the fraudulent refunds. WISDOM prepared false returns by generating phony W-2 statements that contained false employment and income information. WISDOM obtained blank W-2 forms and filled them in with false information. She indicated that the taxpayer worked for an employer for whom the taxpayer never worked, or she typed in inflated salary and withholding information in an effort to increase the expected refund. WISDOM also claimed credits and exemptions illegitimately, in order to inflate refunds.

In some returns, Wisdom would claim children as dependents who had no relation whatsoever to the taxpayer. She also prepared returns bearing false Earned Income Tax Credits and false claims for education credits.

WISDOM received between \$500 and \$1,500 from each taxpayer for preparing a fraudulent tax return. She collected her fee in cash after each taxpayer received and cashed the refund check. Over the course of the scheme, WISDOM prepared fraudulent returns that claimed over \$200,000 in phony refunds.

This case was investigated by Special Agents of the Internal Revenue Service-Criminal Investigation.

Assistant United States Attorney Jon-Peter F. Kelly prosecuted 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.