

United States District Court

SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

v.

CRIMINAL COMPLAINT

REGINA CARROLL

CASE NUMBER: 12-2592-Dubé

I, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

On or about March 28, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, REGINA CARROLL, did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is, nine (9) Florida driver's licenses, in and affecting interstate commerce, in violation of Title 18, United States Code, Section 1028(a)(3).

On or about April 3, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, REGINA CARROLL, did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is, twenty-two (22) Florida driver's licenses, in and affecting interstate commerce, in violation of Title 18, United States Code, Section 1028(a)(3).

On or about April 3, 2012, in Miami-Dade County, the defendant, REGINA CARROLL, did knowingly receive, conceal, and retain, with the intent to convert to her own use and gain, a thing of value of the United States and of a department and agency thereof, the aggregate of which exceeded \$1,000, that is, a United States Department of Treasury tax refund check, knowing the checks to have been embezzled, stolen, purloined and converted in violation of Title 18, United States Code, Section 641.

I further state that I am a Special Agent with the Federal Bureau of Investigation and that this complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT

Michael R Meyer
MICHAEL R. MEYER, SPECIAL AGENT
FEDERAL BUREAU OF INVESTIGATION

Sworn to before me, and subscribed in my presence,

May 1, 2012

at

Miami, Florida
City and State

ROBERT L. DUBÉ
UNITED STATES MAGISTRATE JUDGE
Name and Title of Judicial Officer

[Signature]
Signature of Judicial Officer

## AFFIDAVIT

I, Michael R. Meyer, being duly sworn, hereby depose and state as follows:

1. I am a special agent with the Federal Bureau of Investigation ("FBI"), Miami Field Division, currently assigned to the public corruption unit. I have been employed as a special agent for approximately six years. I have personally conducted or assisted in criminal investigations and prosecutions of identity theft tax fraud schemes, including violations of Title 18, United States Code, Sections 510 (forgery of U.S. Treasury checks), 641 (theft of government money), 1028 (fraud with identification documents), 1029 (access device fraud), and 1343 (wire fraud). I am familiar with the manner and means with which identity thieves operate these schemes.

2. This affidavit is submitted in support of a criminal complaint charging Regina CARROLL with a violation of Title 18, United States Code, Sections 641 (theft of government property) and 1028(a)(3) (possession of five or more identification documents with unlawful intent).

3. This affidavit is based on information obtained from an FBI undercover operation. This affidavit sets forth only those facts that I believe are necessary to establish probable cause. As such, I have not included each and every fact known about this investigation.

### **Overview of FBI Undercover Operation**

4. To combat the growing problem of identity theft tax refund fraud schemes in South Florida, from February 2012 to April 2012, the FBI has operated a financial services store (the "store") in North Miami as a front to accept fraudulently obtained tax refund checks from customers looking to cash those checks for a large fee.

5. The store was equipped with both audio and video surveillance. Undercover FBI agents worked behind the counter at the store. Customers would present tax refund checks in the form of refund anticipation checks issued by financial institutions (“RACs”) and/or U.S. Treasury tax refund checks (“T-Checks”). Customers would also present fraudulent identification documents (photocopied Florida driver’s licenses or social security cards) or handwritten social security numbers in the name of the victims on the checks. Often, customers would forge the signature of the victim on the back of the check while inside the store. Many of the true taxpayers whose names appear on the checks have already filed identity theft affidavits with the Internal Revenue Service (“IRS”).

6. The undercover agent would charge a substantial fee for processing the check—ranging from thirty-five to forty-five percent of the value of the check—consistent with the fraudulent nature of the check.<sup>1</sup> The FBI paid these customers from official FBI funds. None of the tax refund checks were actually cashed.

7. During the three month undercover operation, eight different individuals negotiated with undercover agents at the store to cash approximately \$500,000 in fraudulently obtained tax refund checks. The conversations and transactions between the customers and undercover agents at the store were audio and video recorded by the FBI.

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<sup>1</sup> Florida law provides that no check cashing store may charge a fee for cashing checks in excess of five percent. Fl. Stat. 560.309(4)

### **Overview of CARROLL's Conduct**

8. In March and April 2012, CARROLL tried to cash 32 fraudulently obtained tax refund checks (totaling approximately \$69,000) for sixty percent of face value using false identification documents.

### **Chronology of Events**

9. On March 8, 2012 a confidential source ("CS") placed a recorded call to CARROLL. The CS indicated on the call that there was a check cashing store (the "store") that would accept fraudulently obtained tax refund checks. CARROLL asked when she could go to the store and she asked for (and received) the number for the store.

10. On March 22, 2012, an undercover agent with the FBI ("UC2") engaged in a recorded call with CARROLL. UC2 told CARROLL the location of the store and arranged for CARROLL to meet the next day. UC2 advised CARROLL that UC2 needed identification documents that matched the names on the checks. CARROLL responded that she would bring the right identification documents.

11. On March 23, 2012, at around 1:30 p.m., CARROLL arrived at the store. The store appeared closed. CARROLL looked inside the store and then left the area.

12. On March 23, 2012, at around 1:37 p.m., the CS engaged in a recorded call with CARROLL. CARROLL asked the CS whether the CS knew the people that worked in the store. CARROLL expressed concern about going in the store stating, "they could be the motherf---in police."

13. On March 23, 2012, at around 2:00 p.m., UC2 engaged in a recorded phone call with CARROLL. UC2 apologized that the store had been closed when CARROLL came earlier. Notwithstanding her original fear, CARROLL said she would come back to the store.

14. On March 23, 2012, around 2:30 p.m., CARROLL went into the store and approached the counter. CARROLL agreed on a percentage with UC2 for cashing the checks—CARROLL would receive sixty percent of the face value of the check and UC2 would keep forty percent. CARROLL produced two unsigned checks and identification documents. CARROLL signed one check in the store. UC2 said CARROLL could not cash the checks that day because UC2 needed about a week to verify that the checks were real. CARROLL said that would not work for her and she took the checks and identification documents with her. CARROLL said she would come back later with “another load.”

15. On March 27, 2012, CARROLL returned to the store. CARROLL said that she was late because she was waiting on the “faces” (i.e., photocopies of the Florida driver’s licenses matching the names on the checks). CARROLL said there was around seventeen thousand dollars in checks. CARROLL then provided UC2 with nine unsigned tax refund checks. CARROLL also provided UC2 with a two-page list of names and social security numbers matching the names on the checks. The checks were in the following names, types, and amounts:

<b>CARROLL -- List of March 27 Checks</b>			
<b>NUMBER</b>	<b>TYPE</b>	<b>NAMES</b>	<b>AMOUNTS</b>
1	RAC	A.C.	\$2,163.05
2	RAC	D.A.	\$2,122.05
3	RAC	C.P.	\$2,117.05
4	RAC	J.B.	\$2,017.05
5	RAC	K.R.	\$2,056.05
6	RAC	A.A.	\$2,171.05
7	RAC	C.C.	\$2,045.05
8	RAC	N.R.	\$2,035.05
9	RAC	B.M.	\$1,085.00
<b>Total</b>			<b>\$17,811.40</b>

16. On that same date, as CARROLL walked out of the store, UC2 told CARROLL that none of the checks were signed and that the checks needed to be signed. CARROLL said

she had planned to “wait to get the faces” before she signed them. CARROLL then signed each of the checks in the store in the presence of UC2. CARROLL asked UC2 for different color pens so that all the checks would “not be in the same color.” CARROLL told UC2 she “tried to sign all of them different.”

17. UC2 asked CARROLL whether the checks would be “good.” CARROLL said that there would be no problem with the checks. CARROLL indicated that she had printed these checks at her office, but that she had stopped because she had nowhere to cash them. CARROLL said she could make some money now with UC2 as her “hookup.” CARROLL then exited the store.

18. On March 28, 2012, CARROLL returned to the store and provided UC2 with nine photocopies of driver’s licenses with names matching those on the nine checks above. CARROLL then exited the store.

19. On March 30, 2012, CARROLL returned to the store. CARROLL walked into the store and had a brief conversation with another undercover FBI agent (“UC1”). CARROLL said that the checks were all going to be good. CARROLL said that she uses the same people’s identity every year. CARROLL further stated that she does not file tax returns for people who work. UC1 provided CARROLL with \$10,685.00 in pre-recorded U.S. currency from FBI funds as payment for checks 1 through 9 from the March 27 checks. UC1 counted the money in front of CARROLL who took the money and left the store.

20. On April 2, 2012, at around 1:20 p.m., CARROLL returned to the store and provided UC1 with 23 tax refund checks in the following names, types, and amounts:

<b>CARROLL –List of April 2 Checks</b>			
<b>NUMBER</b>	<b>TYPE</b>	<b>NAMES</b>	<b>AMOUNTS</b>
1	RAC	E.C.	\$2,069.05
2	RAC	H.H.	\$5,754.05

<b>CARROLL –List of April 2 Checks</b>			
<b>NUMBER</b>	<b>TYPE</b>	<b>NAMES</b>	<b>AMOUNTS</b>
3	RAC	F.M.	\$5,750.05
4	RAC	O.P.	\$2,042.05
5	RAC	N.A.	\$2,127.05
6	RAC	J.M.	\$5,761.05
7	T-Check	T.D.	\$5,349.00
8	RAC	A.G.	\$1,256.05
9	RAC	G.T.	\$1,229.05
10	RAC	J.K.	\$1,275.05
11	RAC	V.G.	\$1,183.05
12	RAC	D.B.	\$1,470.00
13	RAC	D.S.	\$961.05
14	RAC	G.M.	\$1,574.05
15	RAC	C.C.	\$1,623.05
16	RAC	M.B.	\$1,632.05
17	RAC	L.N.	\$1,644.05
18	RAC	O.P.	\$1,650.05
19	RAC	M.P.	\$1,640.05
20	RAC	S.C.	\$1,645.05
21	RAC	E.G.	\$1,645.05
22	RAC	C.S.	\$1,690.05
23	RAC	L.L.	\$1,622.05
<b>Total</b>			<b>\$52,592.05</b>

21. CARROLL told UC1 that she would get the identification documents for the checks and return later. CARROLL then exited the store.

22. On April 2, 2012, at around 2:55 p.m., CARROLL returned to the store and provided UC1 with a total of 22 photocopies of driver's licenses matching the names of the victims on the checks. The driver's licenses were fraudulent. The pictures of the individuals in the driver's license provided by CARROLL did not match the picture of those individuals in Florida driver's license database records.

23. On April 10, 2012, CARROLL returned to the store. UC2 advised CARROLL that UC2 was unable to cash the checks due to a problem with UC2's bank account. UC2 told CARROLL that UC2 would contact CARROLL when UC2 could process the checks. UC2

returned the 23 checks and 22 photocopies of driver's license listed above to CARROLL. CARROLL then exited the store.

24. On April 27, 2012, law enforcement contacted B.M. (victim #9 on the list of March 27 checks). B.M. stated that B.M. attempted to file a tax return for 2011 through her CPA, but that B.M.'s return had been rejected someone had filed a tax return in B.M.'s name without authorization.

25. Based on the foregoing facts and circumstances, and Your Affiant's training, knowledge and expertise, there is probable cause to believe that CARROLL:

- (1) Did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is, nine (9) Florida driver's licenses, in violation of Title 18, United States Code, Section 1028(a)(3), on March 28, 2012;
- (2) Did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is, twenty-two (22) Florida driver's licenses, in violation of Title 18, United States Code, Section 1028(a)(3), on April 2, 2012; and
- (3) Did knowingly receive, conceal, and retain, with the intent to convert to her own use and gain, a thing of value of the United States and of a department and agency thereof, the aggregate of which exceeded \$1,000, that is, a United States Department of Treasury tax refund check, knowing the checks to have been embezzled, stolen, purloined and converted in violation of Title 18, United States Code, Section 641.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

✓ Michael R Meyer  
Michael R. Meyer, Special Agent  
Federal Bureau of Investigation

Sworn to before me this  
1<sup>st</sup> day of May 2012

Robert L. Dubé

ROBERT L. DUBÉ  
UNITED STATES MAGISTRATE JUDGE