

United States District Court

SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

v.

CRIMINAL COMPLAINT

WILLIAM JOSEPH

CASE NUMBER: 12-2595-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 14, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, WILLIAM JOSEPH, did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is, eleven (11) Florida driver's licenses, in violation of Title 18, United States Code, Sections 1028(a)(3) and 2.

On or about April 3, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, WILLIAM JOSEPH, did knowingly steal, embezzle, purloin, and convert to his own use, money of the United States and a department and agency thereof, the aggregate of which exceeded \$1,000 that is, a United States Department of Treasury tax refund check, in violation of Title 18, United States Code, Section 641.

On or about April 3, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, WILLIAM JOSEPH, did falsely make or forge an endorsement or signature on a Treasury check of the United States, in violation of Title 18, United States Code, Section 510.

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 William JOSEPH with a violation of Title 18, United States Code, Sections 510 (forgery of U.S. Treasury checks), 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. An undercover FBI agent 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 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.¹ 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.

Chronology of Events

8. On March 14, 2012 a confidential source (“CS”) met with L.F in Weston, Florida. W.J. drove L.F. to the meeting. L.F. provided the CS with 11 fraudulently obtained tax refund checks in the following names, types, and amounts:

¹ 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)

L.F. / JOSEPH -- List of March 14 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	RAC	C.R.	\$4,574.10
2	RAC	L.J-C.	\$3,589.00
3	RAC	M.T.	\$5,788.10
4	RAC	K.L.	\$5,112.00
5	RAC	M.K.	\$5,539.10
6	RAC	B.S.	\$4,608.10
7	RAC	T.L.	\$4,564.10
8	RAC	B.Q.	\$4,603.10
9	RAC	D.H.	\$4,549.10
10	RAC	S.C.	\$5,406.10
11	RAC	V.B.	\$7,749.00
Total			\$56,081.80

9. L.F. also provided the CS with eleven Florida driver's licenses and social security cards in the names of the individuals above.

10. On March 20, 2012, at around 2:00 p.m., L.F. met the CS at the store. At this time, L.F. met with and spoke to an undercover FBI agent ("UC2") working at the store. UC2 paid L.F. \$11,700 in prerecorded U.S. currency from FBI funds as payment for checks 1, 2, 3 and 5 in the above list. UC2 told L.F. that checks 6-10 from the above list had not been signed. L.F. signed those checks in the store. UC2 explained that L.F. would receive payment on these later. In addition, UC2 told L.F. that checks 4 and 11 could not be verified with the bank and UC2 returned those two checks to L.F.

11. After leaving the store, L.F. drove to a Wells Fargo bank in North Miami Beach. At the bank, FBI agents approached L.F. L.F. had on his possession \$5,550 (the remaining money from the checks was later obtained from an individual in the car with L.F.). L.F. also had checks 4 and 11 that had been returned to him. L.F. agreed to speak with agents and cooperate in the investigation. L.F. explained that the checks and money came from JOSEPH.

12. Later that same day, L.F. engaged JOSEPH in a recorded call. L.F. met up with JOSEPH. During an audio recorded meeting, L.F. provided JOSEPH with the money received from the store. L.F. also returned checks 4 and 11 from the above list to JOSEPH.

13. On or about March 23, 2012, L.F. and JOSEPH traveled to the store. JOSEPH met with UC2 at the store. UC2 provided JOSEPH with \$8,250 in pre-recorded U.S. currency as payment for checks 6-8 from the March 14 list. UC2 advised JOSEPH that checks 9 and 10 could not be verified with the bank.

14. On or about April 3, 2012, JOSEPH returned to the store. JOSEPH spoke with another FBI undercover agent ("UC1"). JOSEPH discussed the percentage for cashing checks. UC1 agreed to pay JOSEPH sixty-five percent of the face value of the check. JOSEPH inquired whether the store would pay sixty percent of face value if JOSEPH did not have matching identification documents. JOSEPH provided UC1 with two tax refund checks in the following names, types, and amounts:

JOSEPH -- List of April 3 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	RAC	A.Z.	\$7,347.05
2	T-Check	I.P.	\$10,088.27
Total			\$17,435.32

15. During this meeting, JOSEPH provided UC1 a photocopy of a driver's license and social security card in the name of A.Z. above. JOSEPH told UC1 that JOSEPH would provide identifying information for I.P. at a later date. Neither of the checks had been signed. JOSEPH signed both of the checks in the store in the presence of UC1.

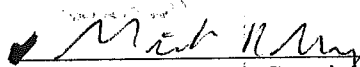
16. On or about April 6, 2012, JOSEPH returned to the store. UC1 provided JOSEPH with \$4,800 in pre-recorded U.S. currency from FBI funds as payment for check 1 from the above list of checks.

17. On or about April 17, 2012, JOSEPH returned to the store. UC1 provided JOSEPH with \$6,000 in pre-recorded U.S. currency from FBI funds as payment for check 2 from the above list of checks. JOSEPH also provided UC1 with a photo of the driver's license and social security card for I.P. from the above list by email to UC1.

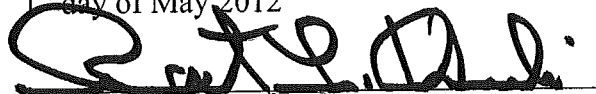
18. Based on the foregoing facts and circumstances, and Your Affiant's training, knowledge and expertise, there is probable cause to believe that JOSEPH:

- (1) Did knowingly possess with intent to use and transfer unlawfully five or more identification documents, that is eleven (11) Florida driver's licenses, in violation of Title 18, United States Code, Sections 1028(a)(3) and 2 on March 14, 2012;
- (2) Did knowingly steal, embezzle, purloin, and convert to his own use, money of the United States, and a department and agency thereof, the aggregate to which exceeded \$1,000, that is, a United States Department of Treasury tax refund check, in violation of Title 18, United States Code, Section 641, on April 3, 2012; and
- (3) Did falsely make or forge an endorsement or signature on a Treasury check of the United States in violation of Title 18, United States Code, Section 510, on April 3, 2012.

FURTHER YOUR AFFIANT SAYETH NAUGHT.


Michael R. Meyer, Special Agent
Federal Bureau of Investigation

Sworn to before me this
1st day of May 2012



ROBERT L. DUBÉ
UNITED STATES MAGISTRATE JUDGE