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CAREER FRAUDSTER SENTENCED TO 11 YEARS IN FEDERAL PRISON FOR SWINDLING THE U.S. TREASURY AND ILLINOIS CHILD CARE PROGRAM

CHICAGO — A Chicago woman with 10 previous convictions for fraud or theft was sentenced to 11 years in federal prison for engaging in schemes to defraud the United States Treasury and a State of Illinois child care program, federal law enforcement officials announced today. The defendant, **Katrina Pierce**, used stolen identities, fraudulent documents, and obstructed justice in weaving a complicated web of financial deceit to defraud federal and state tax authorities, as well as the federal food stamp program.

Pierce, 41, of Chicago, also known as “Rajona Pierce,” was sentenced to nine years in prison on two counts of mail fraud and a mandatory consecutive two-year prison term for aggravated identity theft, for a total sentence of 11 years. U.S. District Judge Samuel Der-Yeghiayan imposed the sentence last Thursday in U.S. District Court. He also ordered forfeiture of \$207,183, as well as mandatory restitution of \$123,670 to the State of Illinois, and \$60,750 to the U.S. Treasury.

Pierce was arrested in September 2010 and pleaded guilty to fraud and aggravated identity theft in January 2012. The sentence was announced today by Gary S. Shapiro, Acting United States

Attorney for the Northern District of Illinois, and Thomas Jankowski, Acting Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division.

Pierce “engaged in expansive and all-consuming schemes to steal identities from the dead, misappropriate funds from the coffers of her country, cheat programs designed to benefit children and working parents, and swindle governments across the nation — all to enrich herself. Stealing was [her] full time occupation and she was good at it,” prosecutors wrote in a sentencing memo.

According to court documents, between January 2007 and July 2008, Pierce obtained fraudulent identification documents, including driver’s licenses, birth certificates, and social security cards using the names and personal identifying information of numerous deceased individuals. Each of the identification cards portrayed a picture of Pierce, alongside a deceased person’s personal identification information. Pierce also obtained real identification documents in the alias name of “Rajona Pierce,” who was not a real person.

During the course of the investigation by the IRS Criminal Investigation Division, agents recovered 11 different Illinois’ driver’s licenses, all with Pierce’s photo, but the name of another individual. Agents also recovered numerous fake social security cards, and blank social security cards and birth certificates from Pierce’s residence. Pierce even had what appeared to be a real birth certificate and social security card for Rajona Pierce. Agents also recovered a number of notary stamps, and stamps purporting to be from the Social Security Administration among Pierce’s belongings.

Using the stolen identities of deceased individuals and others, Pierce caused approximately 180 fraudulent federal individual income tax returns to be filed with the IRS for tax years 2006 and 2007. In each instance, Pierce falsely claimed that the tax return was being submitted by a

representative of a deceased taxpayer. Each fraudulent return listed actual deceased individuals as the taxpayers, and falsely stated that the person had died during the tax year and was entitled to a tax refund. Over the course of the scheme, Pierce filed fraudulent tax returns falsely claiming a total of approximately \$500,770 in tax refunds.

The fraudulent returns included directions to mail the tax refunds to various addresses, including post office boxes controlled by Pierce. She also opened numerous bank accounts using her alias, and deposited fraudulently obtained tax refund checks into these accounts. The Treasury Department paid Pierce a total of approximately \$60,750 in fraudulent tax refunds before the IRS detected the scheme.

In addition, between April 2006 and August 2010, Pierce defrauded an Illinois Department of Human Services program that provided funding to child care providers. Pierce used her collection of stolen identities and fraudulent documents to collect a windfall from the state program by regularly providing documentation in which she falsely claimed that a fictitious child care provider had worked a certain number of hours performing child care services for a fictitious child, at the request of a fictitious parent. In total, Pierce fraudulently collected approximately \$146,433 in child care benefits from the state in the name of approximately 13 fictitious child care providers, and converted the funds for her own personal use.

Pierce also admitted as relevant conduct that in 2009 she fraudulently obtained approximately \$3,800 in food stamp benefits from the U.S. Department of Agriculture in the name of Rajona Pierce. In early 2010, she fraudulently obtained approximately \$21,605 through filing false state tax returns in Kansas, Maryland, New York, and other states.

Judge Der-Yeghiayan also found that in late 2009 and 2010 Pierce obstructed the federal investigation of her fraud schemes by paying individuals to lie to agents and actively interfering with the investigation.

The government was represented by Assistant U.S. Attorney Steven Grimes.

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