

FELONY

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

**BILL OF INFORMATION FOR FALSE STATEMENTS ON INCOME TAX RETURNS
AND AIDING AND ASSISTING THE PREPARATION OF FALSE DOCUMENTS
UNDER INTERNAL REVENUE LAWS**

UNITED STATES OF AMERICA

*

CRIMINAL NO.

V.

*

SECTION:

LAURA A. DIGGS

*

VIOLATIONS: 26 U.S.C. § 7206(1)

26 U.S.C. § 7206(2)

18 U.S.C. § 2

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The United States Attorney charges that:

COUNT 1

(26 U.S.C. § 7206(1) - False Statements on Income Tax Returns)

A. AT ALL TIMES MATERIAL HEREIN:

1. From in or about 2003 through the present, the defendant, **LAURA A. DIGGS**, was engaged in the preparation of federal income tax returns.

2. During this period of time, from in or about 2003 through the present, the defendant, **LAURA A. DIGGS** operated a tax preparation company, Diggs Tax Service in Luling, Louisiana, located in the Eastern District of Louisiana. As part of her business, **LAURA A. DIGGS**, along with

her employees, prepared the taxes on an annual basis for hundreds of customers, in the Eastern District of Louisiana.

3. During this period of time, the defendant, **LAURA A. DIGGS**, or the employees under her supervision, would prepare the tax returns of her clients and transmit them to the Internal Revenue Service from the Eastern District of Louisiana. As part of her business, **DIGGS** and employees under her control would falsify the tax returns of her client by, among other things, falsely inflating certain deductions (including deductions for charitable contributions; home mortgage interest; unreimbursed employee expenses; and “hobby” expenses), which resulted in substantial refunds owed by the United States to the taxpayer.

4. Additionally, during this period of time, the defendant, **LAURA A. DIGGS**, would prepare her own taxes that she would transmit to the Internal Revenue Service from the Eastern District of Louisiana. The tax returns prepared by **DIGGS** in her name contained a written declaration that they were made under penalties of perjury.

B. THE FALSE STATEMENTS:

On or about the dates below under the caption “Tax Year,” in the Eastern District of Louisiana, the defendant, **LAURA A. DIGGS**, knowingly and willfully prepared, made, signed, and presented, tax returns, which contained written declarations that they were made under penalty of perjury, that falsely under-reported the business income the defendant was receiving from her tax preparation business, a material matter:

Taxpayer Name	Tax Year	Gross Receipts Reported	Gross Receipts Received	Total Unreported
Laura Diggs	2007	\$158,765	\$405,498	\$246,733

Laura Diggs	2008	\$160,200	\$497,298	\$337,098
Laura Diggs	2009	\$172,000	\$354,930	\$182,930

All in violation of Title 26, United State Code, Section 7206(1).

COUNT 2

(26 U.S.C. § 7206(2) – Aiding or Assisting in the Preparation of False Documents Under the Internal Revenue Laws)

A. The allegations contained in Section A, Paragraphs 1 through 4, of Count 1 are realleged and incorporated by reference as if fully set forth herein.

B. THE FALSE DOCUMENTS:

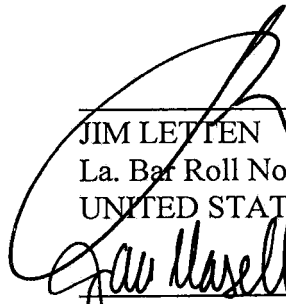
On or about the dates below under the caption “Tax Year,” in the Eastern District of Louisiana, the defendant, **LAURA A. DIGGS**, knowingly and willfully aided in, assisted, procured, counseled, and advised, the preparation and presentation of income tax returns, arising under the internal revenue laws, that falsely contained materials matters, that is, they falsely inflated certain deductions contained in the “Schedule A” of **DIGGS**’s taxpaying clients, as set forth below:

Taxpayer Name	Tax Year	False Item(s)	False Claim
D.M.	2008	Schedule A Deductions	\$8,486.00
D.M.	2009	Schedule A Deductions	\$11,809.00
C.L.	2007	Schedule A Deductions	\$8,912.00
C.L.	2008	Schedule A Deductions	\$13,632.00
C.L.	2009	Schedule A Deductions	\$10,435.00
M.C.	2007	Schedule A Deductions	\$8,584.00
M.C.	2008	Schedule A Deductions	\$8,485.00
M.C.	2009	Schedule A Deductions	\$8,521.00

T.B.	2007	Schedule A Deductions	\$9,608.00
T.B.	2008	Schedule A Deductions	\$4,426.00
T.B.	2009	Schedule A Deductions	\$1,530.00
L.S.	2007	Schedule A Deductions	\$5,053.00
L.S.	2008	Schedule A Deductions	\$5,742.00
L.S.	2009	Schedule A Deductions	\$5,730.00
R.G.	2007	Schedule A Deductions	\$7,083.00
R.G.	2008	Schedule A Deductions	\$7,217.00
R.G.	2009	Schedule A Deductions	\$9,449.00
L.H.	2007	Schedule A Deductions	\$3,064.00
L.H.	2008	Schedule A Deductions	\$5,849.00
L.H.	2009	Schedule A Deductions	\$5,392.00
P.N.	2007	Schedule A Deductions	\$12,699.00
P.N.	2008	Schedule A Deductions	\$16,619.00
P.N.	2009	Schedule A Deductions	\$9,353.00
G.S.	2007	Schedule A Deductions	\$6,269.00
G.S.	2008	Schedule A Deductions	\$5,005.00
J.J.	2007	Schedule A Deductions	\$5,282.00
D.R.	2008	Schedule A Deductions	\$3,505.00
D.D.	2007	Schedule A Deductions	\$6,884.00
R.P.	2007	Schedule A Deductions	\$7,809.00
R.P.	2008	Schedule A Deductions	\$4,901.00
R.P.	2009	Schedule A Deductions	\$4,684.00
K.B.	2007	Schedule A Deductions	\$5,699.00
K.B.	2008	Schedule A Deductions	\$5,460.00
K.B.	2009	Schedule A Deductions	\$7,803.00

T.R.	2007	Schedule A Deductions	\$8,735.00
T.R.	2008	Schedule A Deductions	\$7,162.00
T.R.	2009	Schedule A Deductions	\$6,080.00

All in violation of Title 26, United States Code, Section 7206(2) and Title 18, United States Code, Section 2.



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New Orleans, Louisiana
 July __, 2012