



*U.S. Department of Justice
United States Attorney
Southern District of Mississippi*

**FOR IMMEDIATE RELEASE
March 3, 2010**

**PEARL RIVER COUNTY WOMAN CHARGED
WITH PREPARING FALSE FEDERAL TAX RETURN**

Gulfport, Miss. – Carolyn T. Lilly of Carriere, Mississippi, appeared before U.S. Magistrate Judge Robert H. Walker in Gulfport today for her arraignment on federal tax charges, announced U.S. Attorney Donald R. Burkhalter and Michael J. DePalma, Special Agent in Charge of the Internal Revenue Service-Criminal Investigation, New Orleans Field Office.

A criminal information was filed on February 10, 2010, charging Lilly with one count of aiding and assisting in the preparation of a false federal tax return. If convicted, Lilly faces up to 3 years in prison on the charge.

According to the criminal information, Lilly aided and assisted in the preparation of a false 2005 tax return for two individuals. The criminal information alleges that the return was false because the taxpayers filing the return were not entitled to claim \$323,449.00 in casualty loss deductions as had been reported on their return.

IRS CI Special Agent in Charge Michael J. De Palma said, “While most return preparers provide excellent service to their clients, taxpayers should be careful in selecting the tax professional who will prepare their returns. It is a very important decision.”

U.S. Attorney Burkhalter praised the efforts of special agents from the IRS-CI Office in New Orleans, Louisiana, and Assistant U.S. Attorney Mike Hurst, who is prosecuting the case.

Criminal informations are only charges and not evidence of guilt. A defendant is presumed to be innocent until and unless proven guilty.

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