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MADISON MAN SENTENCED TO TWO YEARS FOR WIRE FRAUD AND FILING FALSE TAX RETURN

Madison, Wis. - Stephen P. Sinnott, United States Attorney for the Western District of Wisconsin, announced that Terry L. Stewart, 27, Madison, Wis., was sentenced today by Chief U.S. District Judge Barbara B. Crabb to two years in prison for wire fraud and willfully filing a false tax return.

Stewart held himself out as a self-employed tax return preparer doing business as Madison Urban Tax Service. Stewart fraudulently inflated the returns of 19 customers by falsely claiming that the customers were entitled to make certain deductions, had dependants or were entitled to the "earned income credit." Stewart filed the returns electronically and his clients were unaware of the false statements.

Moreover, Stewart directed that the return proceeds be sent to him and he stole all or part of his customers' tax returns. When Stewart pled guilty before Judge Crabb on October 9, 2009, he agreed to make restitution to his former clients to include any fines, penalties, or interest assessed against those former clients as a result of the fraudulent tax returns.

"Tax payers should be careful in selecting the tax professional who will prepare their returns," according to IRS-Criminal Investigation Special Agent in Charge Julio La Rosa. "While most return preparers provide excellent service to their clients, a few unscrupulous tax preparers, like Stewart, file false returns thus defrauding the government, the public, and their own clients."

The prosecution of the case has been handled by Assistant U.S. Attorney Timothy M. O'Shea.