



Department of Justice

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FOR IMMEDIATE RELEASE

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**SUPERSEDING INDICTMENT ALLEGES CONSPIRACY
IN HOME BUYER'S TAX CREDIT REFUND SCHEME**

PHILADELPHIA - A superseding indictment was unsealed today against Jonathan Brownlee, 27, of Philadelphia, charging him with additional counts and charging three co-conspirators in a tax fraud scheme, announced U.S. Attorney Zane David Memeger and Principal Deputy Assistant Attorney General for the Tax Division John A. DiCicco. The superseding indictment alleges that Brownlee entered into a conspiracy with his brother, Christopher Brownlee, 36, as well as Anthony Foster, 43, and Paul Rawls, 53, all of Philadelphia, to file false claims against the United States.

The superseding indictment further alleges that Brownlee and his co-conspirators obtained the personal identifying information of several individuals, including their Social Security numbers, sometimes under false pretenses, which they then used to prepare bogus tax returns. Along with preparing and filing the bogus returns, Brownlee and his co-conspirators opened accounts at several banks for the purpose of having the refund checks electronically deposited into the accounts. The superseding indictment charges all four defendants with conspiracy. Brownlee's three co-conspirators each face additional counts of filing false claims on tax returns with the IRS; and Rawls faces three counts of misuse of Social Security numbers. Jonathan Brownlee faces three counts of misuse of Social Security numbers and one conspiracy count in addition to the 16 counts originally charged.

Brownlee was originally charged on Feb. 9, 2011 with 16 counts of filing false claims on tax returns with the IRS. The tax returns fraudulently reported that the individuals for whom Brownlee had prepared the returns, were entitled to receive a \$7,500 refundable tax credit under the Housing and Economic Recovery Act of 2008. The returns were false because those individuals had not purchased new homes and thus were not eligible to apply for the refundable tax credit. Most of the individuals - in whose name the returns had been prepared and filed - were not aware that Brownlee and his co-conspirators had used their Social Security numbers for the purpose of filing the false returns. The indictment was the first in the Eastern District of Pennsylvania involving fraud effecting the Housing and Economic Recovery Act of 2008.

If convicted of all charges, Jonathan Brownlee faces a maximum possible sentence of 105 years in prison and a fine of up to \$5 million; Christopher Brownlee faces a maximum possible sentence of 25 years in prison and a fine of up to \$1 million; Anthony Foster faces a maximum possible sentence of 30 years in prison and a fine of up to \$1.25 million; and Paul Rawls faces a maximum possible sentence of 40 years in prison and a fine of up to \$1.75 million.

The case was investigated by the Internal Revenue Service-Criminal Investigation and the Office of Inspector General for the U.S. Social Security Administration. The case is being prosecuted by Assistant U.S. Attorney Floyd J. Miller and Trial Attorney Patrick J. Murray assigned to the Department of Justice's Tax Division.

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