



2023 ANNUAL REPORT

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MESSAGE FROM THE CHIEF

I am so proud of the tremendous work done by the men and women of IRS Criminal Investigation (CI). Financial crime continues to evolve at a rate that challenges law enforcement daily. We will never investigate our way out of any one particular type of crime, so where we spend our time and resources must be methodical in an effort to protect the integrity of the financial system. Our relevance within the enterprise is significant, and the deterrent effect provided by showing the consequences for being willfully noncompliant is real and impactful. This year, we focused on quality and impact in our case selection, and I could not be prouder of the investigations our agency brought to bear.

Tax and tax-related crimes continue to dominate the division's investigative inventory. Our priority must continue to be tax, as we are the only agency that can investigate and recommend violations involving federal income tax crimes. These investigations create deterrence, which is critical to encouraging tax compliance. The revenue collected by the IRS each year funds nearly 96% of our government. Our investigative mission is important, and there is no better investment in government than investing in CI!

We continue to lead the way in our investigative efforts involving digital assets, and we are reaping the benefits of early investment in our cyber capabilities and training. Our

partnerships with the private sector created opportunities for us to solve the most complex crypto-related crimes in the world. We remain focused on stopping those who attempt to exploit new technology for nefarious purposes, mitigating illicit finance, and identifying national security risks. We know that digital assets provide opportunities for responsible financial innovation, and most people using cryptocurrency do so for legitimate purposes. But, we also know that digital assets pose a risk of facilitating money laundering, cybercrime and ransomware, narcotics, human trafficking, terrorism, proliferation financing, and tax crimes. Chain-hopping and token swapping have become common digital assets techniques used to make following the digital money trail more difficult, but not impossible.

Our responsibility to be a meaningful player in the international tax and law enforcement community remains high. We are proud members of the Joint Chiefs of Global Tax Enforcement (J5), which just celebrated five years together. We deliver trainings to representatives from multiple countries across the globe. In May 2023, CI delivered blockchain analysis tools and cyber training to Ukrainian law enforcement agencies. A couple of months later, we partnered with the UK and The Netherlands to provide a second round of training to Ukrainian law enforcement officers. The training focused on cryptocurrency and blockchain tracing.

I'm proud to say that our role in national security continues to be a priority for CI as well. In collaboration with agency partners, we leverage our unique investigative authorities to identify, disrupt, and defeat those who engage in activities that degrade our financial integrity, distort markets, and victimize our citizens. We continue to be a key player in sanctions-related enforcement efforts through Task Force Kleptocapture, which targets Russian oligarchs and other would-be sanctions evaders. Building on past disruptions of terrorist organizations like Hamas using cryptocurrency to fundraise, CI continues to prioritize cases that have significant impacts on preventing terrorist organizations from being able to fund their activities.

While I look back on a year like 2023 full of our many organizational successes, I also could not be more excited with the work we have already begun doing in 2024. I could not be prouder of the men and women in CI.



Jim Lee
Chief, Criminal Investigation



ORGANIZATION CHART OF CI

Click on a blue Section box to learn more.

OFFICE OF THE CHIEF ▶

- Office of Communication
- Commissioner's Protection Detail (CPD)
- Equity, Diversity & Inclusion (EDI)

GLOBAL OPERATIONS (GO) ▶

- Financial Crimes (FC)
- Narcotics and National Security (N2S2)
- Asset Recovery & Investigative Services (ARIS)
- Special Investigative Techniques (SIT)
- International Field Operations (IFO)

CYBER & FORENSIC SERVICES ▶

- Cyber Crime Operations (CC)
- Digital Forensics (DF)
- Center for Science & Design (CSD)

AAI ▶

- Applied Analytics (CIAA)
- National Coordinated Investigative Unit (NCIU)
- Refund Fraud and Investigative Support (RFIS)
- Data Management & Governance (DMG)
- System & Operational Support (SOS)
- Innovation

STRATEGY ▶

- National CI Training Academy (NCITA)
- Workforce Development (WD)
- Human Resources (HR)
- Asset & Knowledge Management (AKM)
- Assurance & Advisory (AA)
- Finance

TECHNOLOGY OPERATIONS ▶

- Development
- Field Operations

FIELD OPERATIONS ▶

- Western Area Field Operations
- Northern Area Field Operations
- Southern Area Field Operations



OFFICE OF THE CHIEF



Chief

James (Jim) Lee was selected as the **Chief, CI** in August 2020. In this role, Jim is responsible for overseeing a worldwide staff of nearly 2,900 CI employees, including approximately 2,000 special agents in 20 field offices and 11 foreign countries, who investigate crimes involving tax, money laundering, public corruption, cyber, ID theft, narcotics, and terrorist-financing.

Prior to his selection as Chief, Jim served as the Deputy Chief within CI, as well as in other executive positions, including Director of Field Operations (DFO)-North, DFO-South, Director of Strategy, and Executive Special Agent in Charge (SAC) of the Chicago Field Office. Jim received his bachelor’s degree from Tiffin University in Ohio and started his career as a special agent in the Detroit Field Office.

CI’s top law enforcement priorities are designed to promote tax compliance, address emerging areas of fraud, and meet the needs of the law enforcement community by supporting national crime initiatives. CI’s Program Strategy is comprised of three interdependent programs: legal source tax crimes, illegal source financial crimes, and narcotics related financial crimes/counterterrorism. These three areas are mutually supportive, and they encourage utilization of all statutes within CI’s jurisdiction, the grand jury process, and enforcement techniques to combat tax, money laundering, and currency crime violations.



Deputy Chief

Guy Ficco was selected as the **Deputy Chief, CI** in June 2022. Prior to his selection as Deputy Chief, Guy was the Executive Director of Global Operations, Policy and Support, where he oversaw the agency’s international footprint, as well as much of CI’s policies as they relate to investigations. Guy’s other executive positions include the Special Agent in Charge (SAC) of the Philadelphia Field Office and Director of Special Investigative Techniques. Guy received his bachelor’s degree from Dominican University in New York, is a Certified Fraud Examiner (CFE), and started his career as a special agent in the New York Field Office.

Office of Communication

The Office of Communication uses a variety of mediums and events to build awareness about CI and the work the agency does for both internal and external audiences. The Office of Communications releases products that focus on informing, educating, and protecting U.S. taxpayers on how to identify and avoid criminal activity, as well as deterring and preventing future tax and financial crimes.

In FY 2023, the Office of Communication continued to grow its social media accounts, conducted more media interviews than ever before, launched two new GovDelivery newsletters to highlight agency news, oversaw the launch of a new employee intranet, and provided briefings to Capitol Hill staff.

Follow us for more information and to stay updated on CI.

 [@IRS_CI](#)

 [IRS Criminal Investigation](#)

 [IRS:CI](#)

 www.irs.gov/compliance/criminal-investigation

 [Joint Chiefs of Global Tax Enforcement \(J5\)](#)

 [J5 Website](#)

Commissioner’s Protection Detail (CPD)

The Commissioner’s Protection Detail (CPD) is a specially trained cadre of CI special agents, who provide personal security and protection to the IRS Commissioner. Since 1999, this dedicated team is charged with protecting the Commissioner during official business operations. CPD provides protection of the Commissioner within the National Capital Region and while in travel status, including foreign and domestic travel. As the leader of the IRS, the Commissioner frequently attends meetings, conferences, publicized hearings, and speaking engagements in locations like the White House, U.S. Capitol, U.S. Treasury, and other venues in Washington, D.C., as well as around the globe.

In a typical year, the CPD protects the Commissioner on approximately 500 protective movements, 20 domestic trips, and two to three international visits. CPD special agents are trained in protective service operations with an emphasis on operational planning, motorcade operations, protective intelligence, and preventing and responding to attacks. Protective operations are a team effort and require detailed advanced preparations aimed at identifying and mitigating potential risks, threats, and vulnerabilities.

Equity, Diversity, and Inclusion Office (EDI)

The Equity, Diversity, and Inclusion Office (EDI) mission is to examine and address CI’s employment practices, policies, and procedures to ensure that every employee attains equal opportunity in every facet of CI’s programs, activities, and services. EDI’s role is to monitor and evaluate the organization’s compliance with Equal Employment Opportunity Commission (EEOC) and Treasury guidance to eliminate barriers that hinder equal opportunity. EDI’s guidance aims to achieve and sustain a diverse and inclusive work environment that respects and values all aspects of an employee’s diversity, including ideas (how you think), identity (who you are), and information (what you know). The goal of the CI EDI office is to support leadership with building an inclusive environment where employees are motivated to put forth their best effort and are vested in achieving the CI mission.

ORGANIZATION CHART OF CI

Click on a blue Section box to learn more.

X CLOSE

GLOBAL OPERATIONS (GO)

Financial Crimes (FC)

Financial Crimes provides policy guidance and operational support to field offices on tax crimes, illegal source financial crimes, and money laundering violations. Financial Crimes oversees a host of investigative priorities, including abusive tax schemes, fraud referrals, and Bank Secrecy Act violations. The unit also provides a liaison to work directly with the Department of Treasury’s Financial Crimes Enforcement Network (FinCEN), oversees CI’s Task Force Officer (TFO) Program, and administers IRS’s Voluntary Disclosure Program (VDP). In addition, Financial Crimes recently started CI’s Body Worn Camera (BWC) Program for training and deployment to the field.

Narcotics and National Security Section (N2S2)

The Narcotics and National Security Section contributes to the success of U.S. national security programs by investigating the finances of transnational criminal organizations involved in narcotics trafficking, human trafficking, terrorism financing, economic espionage, and money laundering. Liaison officers assigned to the section provide coordination, deconfliction, advice, strategy, and financial analysis to support a government-wide approach to address national security threats. The unit also focuses heavily on narcotics and financial investigations related to high-priority targets identified by Organized Crime Drug Enforcement Task Forces (OCDETF). These cases often involve the convergence of program areas, and the prosecutions have a significant impact on dismantling large transnational criminal organizations.

Asset Recovery and Investigative Services (ARIS)

Asset Recovery and Investigative Services uses forfeiture authority as an investigative tool to disrupt and dismantle criminal enterprises. The program deprives criminals of property used in, or acquired through, illegal activities. Following forfeiture of seized assets, forfeited funds are routed to the Treasury Forfeiture Fund (TFF) managed by the Treasury Executive Office for Asset Forfeiture (TEOAF). Forfeited funds are often returned to victims of criminal activity and are also used to reimburse law enforcement agencies for expenses like enhanced training, equipment, and costs associated with conducting significant investigations. In addition, the TFF shares a portion of forfeited funds with other federal, state, and local law enforcement agencies.

Special Investigative Techniques (SIT)

Special Investigative Techniques oversees CI’s undercover activities encompassing tasks such as reviewing and approving operations, as well as providing training to personnel conducting undercover actions. CI maintains a cadre of undercover agents that utilize sophisticated means to initiate contact with individuals perpetrating tax crimes and other financial crimes, in order to gain evidence needed for prosecution of those crimes.

International Field Operations (IO)

International Field Operations oversees CI’s international presence. CI personnel overseas are dedicated to actively identifying emerging financial crime threats and ensuring the successful enforcement of our primary mission in tax criminal investigations CI. currently has attaché posts strategically stationed in 11 foreign countries: Mexico, Canada, Colombia, Panama, Barbados, China, Germany, the Netherlands, England, Australia, and the United Arab Emirates. Attachés work with foreign governments to build partnerships to further financial crime investigations. In FY 2023, International Operations deployed four cyber attachés on long-term details to Germany, Colombia, Singapore and Australia to work with foreign governments on cyber investigations and to evaluate the potential for permanent cyber post locations. CI’s International Training Team (ITT) delivers trainings to representatives from multiple countries across the globe. Training provides the foreign governments in developing nations with necessary tools to combat financial crimes and serves as a key part of CI’s presence abroad.



ORGANIZATION CHART OF CI

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OFFICE OF THE CHIEF ▶

- Office of Communication

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CYBER & FORENSIC SERVICES

Cyber Crimes (CC)

Many aspects of our lives have grown increasingly dependent on technology, and the same holds true for criminals’ activities. Nearly every case CI investigates involves the use of the internet, digital payments, and computer devices.

The agency has two Cyber Crimes Units (CCU) – one positioned in the Los Angeles Field Office and the other in the Washington, D.C. Field Office. The CCUs are the operational arm and focus on multijurisdictional investigations posing the most significant threats to the U.S. tax and financial systems.

CI’s Cyber Crimes headquarters component oversees the agency’s involvement in cyber-related criminal investigations and provides tools, resources, and training to assist special agents around the globe with cyber investigations. This includes tracking illicit finance and mitigating national security risks posed by cybercrimes, as well as tracking digital assets used to facilitate narcotics trafficking, money laundering, terrorism financing, and more.

Digital Forensics (DF)

Digital Forensics consists of Digital Forensic Field Services (DFFS) and the Digital Forensic Lab (DFL). DFFS consists of seven groups of field forensic examiners nationwide that provide advanced forensic support to special agents working criminal investigations. The DFL supports the field examiners by providing expertise for more complex scenarios, digital forensic research and development, forensic training, acquisition of forensic tools and solutions, and development of forensic processes to keep pace with technological advances.

Center for Science and Design (CSD)

The Center for Science and Design (CSD), formerly known as the National Forensic Laboratory, consists of three sections: Scientific Services, Multimedia and Deception Detection, and Trial and Design Services. These sections forensically process and analyze a wide variety of evidence, deliver expert courtroom testimony, produce visual aids to simplify the presentation of complex evidence, provide electronic enhancements to audio, video, and images introduced as evidence, and assist with polygraph examinations.



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ADVANCED ANALYTICS & INNOVATION

Applied Analytics (CIAA)

Applied Analytics leverage big data and advanced analytical capabilities to make CI more efficient. They analyze data about CI operations and enhance lead generation efforts in the field by developing queries that identify potential fraud among tax return, tax administration, and Bank Secrecy Act data. In FY 2023, CIAA completed over 130 lead generation projects, supported 15 NCIU initiatives, and delivered over 5,500 business reports. The team also strives to raise CI’s overall analytical acumen by conducting trainings and sharing data analytic capabilities across CI.

National Coordinated Investigative Unit (NCIU)

The Nationally Coordinated Investigative Unit’s mission is to use skilled staff, big data, and strategic threat assessments to identify individuals committing tax crimes. In FY 2023, NCIU made 269 investigative referrals to CI field offices.

Systems and Operational Support (SOS)

Systems and Operational Support uses systems and partners with business units at IRS to identify emerging trends and quality investigative leads, assists with court testimony, and helps detect, prevent and recover funds from fraudulent tax refunds.

Refund Fraud and Investigative Support (RFIS)

Refund Fraud and Investigative Support identifies emerging trends and schemes related to refund fraud and identity theft to support high-impact criminal tax and related financial investigations in CI field offices across the country. It also supports other national programs including the Court Witness Program, the Controls and Unpostables Program, and the Electronic Filing Suitability Program.

Innovation (I)

Innovation helps CI overcome complex challenges by sourcing, tracking, coordinating, analyzing, and enabling innovative research, process, and technology improvements to solve critical needs and improve efficiencies. In FY 2023, Innovation supported 113 projects, including one where technology was used to review more than 80,000 handwritten checks for evidence in an investigation, demonstrating an accuracy rate of over 99.5%.

Data Management & Governance (DMG))

Data Management and Governance continuously seeks new data sources and converts that data into an actionable format for CI special agents. The team digitizes records through the Data Processing Center and leverages technology and algorithms to filter large data sets. This enhances CI’s ability to identify fraud and dedicate resources to the most impactful criminal investigations.



ORGANIZATION CHART OF CI

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STRATEGY

National CI Training Academy (NCITA)

The National Criminal Investigation Training Academy (NCITA), which is located at the Federal Law Enforcement Training Center in Brunswick, GA, plays a vital role in training the CI workforce. NCITA develops and delivers the Special Agent Basic Training program to special agent trainees. NCITA also plays a major role in developing and delivering advanced training for special agents in areas like use of force, firearms instruction, defensive tactics, and building entry. NCITA also provides professional education courses for the entire CI workforce focusing on emerging trends and issues affecting law enforcement.

Asset and Knowledge Management (AKM)

Asset and Knowledge Management ensures the CI workforce has the necessary assets to accomplish CI’s enforcement objectives, including equipment, vehicles, badges and credentials, radios, body armor, and real estate. It also oversees CI’s Freedom of Information Act (FOIA) and records management programs, as well as an internal knowledge management portal that permits the CI workforce to crowdsource answers to questions to meet enforcement goals.

Assurance and Advisory (AA)

Assurance and Advisory independently reviews, evaluates, and reports on CI field operations, program areas, and headquarter sections in a fair and objective manner to identify risks, emerging issues, and best practices that affect CI. The team assesses CI’s leadership effectiveness and ability to manage and mitigate risk and evaluates CI operations to ensure investigative alignment with agency strategy and established policies.

Workforce Development (WD)

Workforce Development ensures that CI recruits and retains diverse and talented employees to meet CI’s evolving enforcement challenges. WD also helps support and guide special agents and professional staff in accomplishing CI’s mission of deterrence and compliance. Through Workforce Development, CI employees have access to resources to keep them balanced, engaged, and satisfied in their careers, as well as apprised of future opportunities within the agency.

Human Resources (HR)

Human Resources (HR) spearheads the development and implementation of hiring plans for CI, leveraging all relevant hiring authorities. HR executes the Service-wide HR Program Policy, specifically tailored to address the distinct needs of CI. Additionally, they manage employee recognition, work-life programs, and performance management, and they ensure special agents meet medical requirements. HR is responsible for enforcing compliance with federal employment laws, including the initiation of disciplinary actions when necessary.

Finance (F)

Finance formulates, develops, and executes CI’s financial plan, utilizing sound financial management, laws, regulations, the Internal Revenue Manual, and local and IRS/Treasury policies. The Finance staff roles include implementing various Service-wide programs and processes, developing policy unique to the needs of CI, and providing financial oversight on behalf of CI.



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TECHNOLOGY OPERATIONS (TECHOPS)

Development

TechOps’ Development Branch sections work together to deliver and maintain CI’s infrastructure and technical applications. The Business Systems Development (BSD) section identifies and manages the delivery of business improvement and information technology (IT) projects in support of the CI Vision and strategic mission. BSD also oversees many CI applications, including LCA/Palantir, CIMIS, AFTRAK, and Diary. The Portfolio Management, Acquisitions,

and Contracts (PMAC) section is responsible for the oversight and governance of IT projects and contracts. The Technical Operations Center (TOC) section oversees CI’s infrastructure and provides core IT services, such as remote and in office network capabilities, application and server administration, enterprise computing center management, and core smartphone and workstation management.

Field Operations

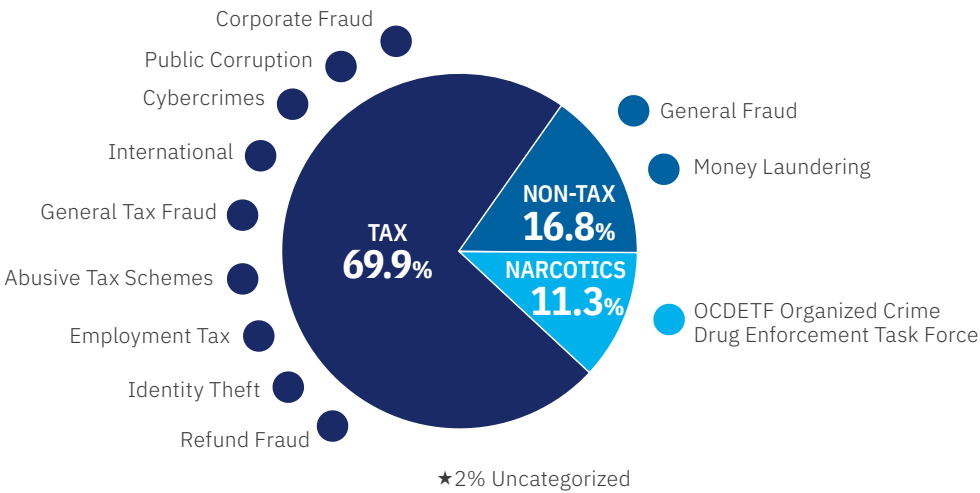
TechOps’ Field Operations sections support CI through the security, delivery, and technical support of CI’s IT equipment. Cybersecurity (CYBER) is responsible for security risk management, security engineering, and security operations, in the form of continuous monitoring of CI’s IT systems and resources. CYBER also provides security risk analysis and advisory services, disaster recovery support, and security policy management and guidance. Additionally, CYBER leads and facilitates incident response, insider threat, and data spill cleanup processes. Client Management Support Services (CMSS) manages the

CI technology portfolio, software/hardware, and change requests, and they ensure compliance with overall IRS, Treasury, and federal standards and regulations. The User Support (US) section provides IT support for the field offices, headquarters, and international sites through the CI Help Desk and Field Service Computer Operations Administrators (COAs), by providing CI users with access to the network, a computer with a CI image, technical issue resolution, and answers to their hardware, software, and telecommunication questions.

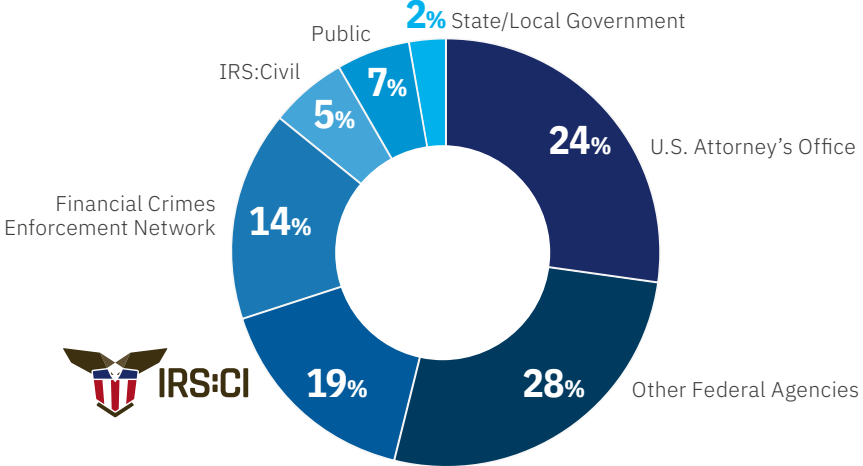


2023 SNAPSHOT

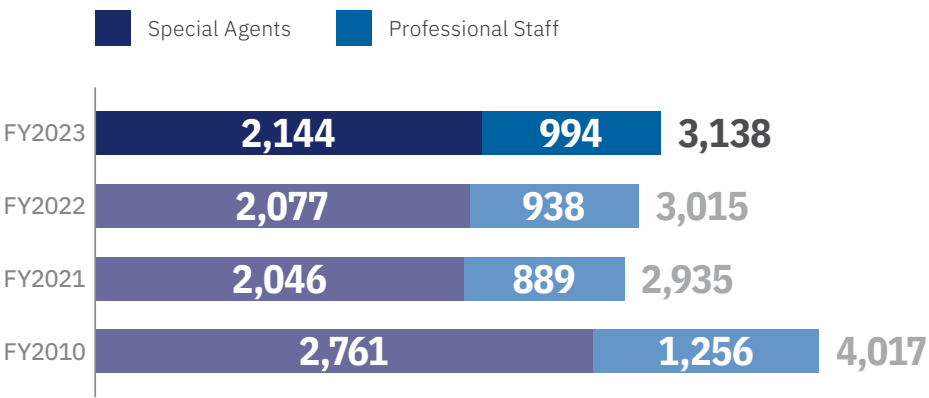
DIRECT INVESTIGATIVE TIME SPENT*



INVESTIGATION SOURCES



STAFFING**



**CI's staffing levels are by fiscal year and reflect an actual count of employees based on the Employee Master Database as of PP19.



Tax Fraud Identified

\$5.5_B



Other Identified Financial Crimes

\$31.6_B



Warrants Executed

1334



Referred For Prosecution

1838



Conviction Rate

88.4%



Convictions

1508



Petabytes Of Digital Data

1.71

CLOSING THE TAX GAP

Voluntary compliance is the backbone of the U.S. tax system. The IRS relies largely on taxpayers to report their income, calculate the amount of tax they owe, and remit that amount to the IRS through withholding or other payments. The gross tax gap is the difference between the amount of tax owed by taxpayers for a given year and the amount of taxes paid on time for that same year. IRS projected the gross tax gap at \$688 billion for tax year 2021 alone, which could result in approximately \$7 trillion in lost tax revenue over the next decade. As one of the oldest federal law enforcement agencies, CI is the only federal law enforcement agency with jurisdiction to investigate federal tax crimes. CI is committed to reducing the tax gap by dedicating 70% of direct investigative time to tax investigations.

Targets of tax fraud investigations include individuals who deliberately underreport or omit income from their tax returns, such as high-income individuals who have a filing requirement but deliberately choose not to file returns and pay taxes owed. CI holds these tax evaders accountable, whether they are a [TV personality](#) who evades paying their tax obligations, or a taxpayer who embezzles funds or fails to report millions earned in [illegal Dark Web transactions](#).

With the increased use of digital assets in the mainstream economy, there has been a rise in digital asset tax investigations. These investigations consist of unreported income resulting from failure to report capital gains from the sale of cryptocurrency, income earned from mining cryptocurrency, or income received in the form of cryptocurrency, such as wages, rental income, and gambling winnings. CI is also seeing evasion of payment violations, where the taxpayer fails to disclose ownership of cryptocurrency in an attempt to shield holdings.

Promoters of overseas tax shelters or schemes develop sophisticated offshore structures, trusts, and bank accounts to unlawfully conceal millions of dollars of income from the U.S. Government. CI not only seeks

to hold U.S. taxpayers taking part in these schemes responsible, but to pursue the promoters of the scheme, even if the promoter is an international tax advisor operating outside of the US border.

Businesses also contribute to the tax gap by concealing profits from the IRS in an attempt to evade taxes owed. In January 2023, [William Chen](#), a New England restaurant owner, was sentenced to prison for utilizing "zapper" software to deliberately delete transactions from his business' point of sales system and underreporting millions in gross receipts on his taxes. Even individuals who win big in the lottery, try to wiggle out of paying their fair share. In May 2023, [Ali and Yousef Jaafar](#), father and son, were sentenced in a "ten-percenting" scheme, where they unlawfully claimed more than 14,000 winning lottery tickets for others and laundered over \$20 million in proceeds, resulting in a federal tax loss of more than \$6 million.

Some tax schemes have victims beyond the IRS. Employment tax fraud significantly contributes to the tax gap due to underreporting and underpayments. Employment tax fraud not only steals money from government coffers but also from hardworking employees. Employment tax fraud investigations include paying employees in cash under the table, filing false payroll tax returns, and failing to collect payroll tax from the employees. CI also investigates employers who withhold taxes from their employees' paychecks but then use the funds for personal expenses or to enrich themselves. During the February 2023 sentencing of [Kevin Shibilski](#), the judge stated imprisonment was necessary to send a deterrence message to two groups –business owners who willfully fail to pay their employment taxes and people who willfully fail to pay the IRS and use the tax funds for other purposes. Their actions have consequences, and they will go to federal prison.

Investigations that close the tax gap foster confidence in the tax system and compliance with the U.S. tax laws.

“ The gross tax gap is the difference between the amount of tax owed by taxpayers for a given year and the amount of taxes paid on time for that same year. ”

TAX CRIMES

 **1409**
INVESTIGATIONS INITIATED

 **665**
PROSECUTIONS RECOMMENDED

 **655**
SENTENCED



COMBATTING FRAUD & MONEY LAUNDERING

“ Money laundering occurs when criminals attempt to disguise the illicit nature of their funds by introducing it into the stream of legitimate commerce and finance. ”

There are many faces to fraud, including tax, investment, healthcare, securities, and corporate fraud. However, the motive is always the same – money. CI’s premier financial investigators investigate fraud and the resulting money laundering that ensues.

Corporate fraud involves criminal violations committed by publicly traded or private corporations and their senior executives. Some specific criminal acts involving corporate fraud include falsifying, fabricating, or destroying company records. Fraudsters often use false information to complete tax returns, financial statements, and reports for regulatory agencies or investors. In June 2023, [James Abrams](#), CEO of EthosGen LLC was convicted of 48 counts after a jury trial. Abrams provided forged documents and false information to induce several investors to invest in his company. The false documentation included forged teaming agreements, intellectual property licenses, tax returns, and financial statements that fabricated an existing customer base and inflated EthosGen LLC’s historical revenues, business activity, and profitability.

Fraudsters will look for opportunities to perpetrate a scheme in all industries. In April 2023, [Julian Omid](#) was sentenced to seven years for defrauding Tricare and private insurance companies by fraudulently submitting nearly \$120 million in claims under his 1-800-GET-THIN business. Over the summer, [Jose “Chanel” Teran and Webster “Yenddi” Batista](#) were sentenced to 10 years collectively for running one of the largest music royalty fraud schemes in history. Teran and Batista stole \$23 million from YouTube for song royalties that belonged to Latin artists in numerous countries.

Money laundering occurs when criminals attempt to disguise the illicit nature of their funds by introducing it into the stream of legitimate commerce and finance. Criminals launder money through a wide variety of enterprises like banks, money transmitters, stock brokerage houses, casinos, and virtual currency exchanges. The flow of illegal funds around the world is estimated to be in the hundreds of billions of dollars. CI special agents are experts at uncovering money trails through traditional and virtual financial banking systems.

“ CI special agents are experts at uncovering money trails through traditional and virtual financial banking systems. ”

In September 2023, [Karl Greenwood](#), cofounder of OneCoin, was sentenced to 20 years in federal prison for marketing and selling fake cryptocurrency to millions of victims who invested over \$4 billion worldwide. In that same month, four men in Arkansas were convicted of cheating victims out of more than \$18 million that they laundered through a web of international bank accounts.

In June 2023, [Rachael Winslow](#) was sentenced to over 11 years in prison for her role in an international conspiracy to launder funds generated via boiler room fraud. Boiler room victims were led to believe there was legitimate investments in reputable companies, such as Facebook, Chesapeake Energy, or Toys R Us. In fact, the investments were worthless, and the boiler rooms defrauded the victims of more than \$14 million.

The use of professional money laundering or third-party money launderers has expanded with technology. Third-party facilitators place illicit proceeds into businesses, financial institutions, brokerage firms, and physical assets to conceal the nature of the illicit profits. In December, [Ian Freeman](#) was convicted of a bitcoin money laundering scheme. Freeman laundered over \$10 million in proceeds from romance scams and other internet fraud by exchanging U.S. dollars for bitcoin. To facilitate the money laundering, Freeman and his co-conspirators opened and operated accounts at financial institutions in the names of various churches and described the deposits as donations to try to conceal the true source of the funds.

In today’s technologically advanced world, criminal activity often crosses borders and can involve global financial crime. The crimes involve complex webs of offshore holdings and anonymous transactions, but CI traces the money each step of the way.

NON-TAX CRIMES

 **1267**
INVESTIGATIONS INITIATED

 **1173**
PROSECUTIONS RECOMMENDED

 **824**
SENTENCED



ASSISTING IN THE FIGHT

Today's sophisticated schemes demand a highly skilled team made up of instructors, analysts, scientists, data experts, and professional staff to decipher complex financial crimes and support and train special agents for the fight.

CI special agents are sworn federal law enforcement officers who begin their training at the National Criminal Investigation Training Academy (NCITA), located at the Federal Law Enforcement Training Center (FLETC) in Brunswick, Georgia. After passing rigorous practical exercises and academic standards, special agents graduate from the nine-week FLETC Criminal Investigation Training Program (CITP) and continue onto CI's specialized 16-week Special Agent Basic Training (SABT). NCITA instructors train special agents to investigate cases and complete investigative steps, such as interviewing, gathering evidence, applying methods of proof, and making recommendations for prosecutions. NCITA provides special agents the knowledge and skills needed as criminal investigators. NCITA also plays a vital role in advanced training and comprehensive continuing professional education courses to special agents and professional staff, which focus on emerging trends and issues within the law enforcement environment.

Nearly one-third of CI's staff consist of professionals who work alongside special agents and provide support, guidance, and aid in accomplishing CI's mission. Professional staff are on the front lines of case work and behind the scenes of every CI activity, whether it is an investigative analyst ensuring intelligence is accurate, administrative staff keeping the trains moving, computer specialists making sure CI has the necessary equipment, or our scientist and digital forensic team certifying evidence and linking that evidence to the criminals.

Digital Forensics supports special agents in the collection and analysis of digital evidence. During the last year, CI's team seized over 1.7 petabytes of digital data from over 3,300 computer devices in support of investigations. Digital Forensics possesses the expertise to recover relevant evidence, including data that may have been encrypted, password protected, or hidden by other electronic means.

“ CI special agents are sworn federal law enforcement officers who begin their training at the National Criminal Investigation Training Academy... ”

Since 1972, CI's Center for Science and Design (CSD) has aided investigations through forensic testing and technical services. CSD's scientific services include the ability to forensically process and analyze a wide variety of evidence, such as latent prints (finger and palm print development and comparison), questioned documents, ink chemistry, and DNA. In addition, CSD provides electronic enhancements, polygraph examination, and facial recognition. CSD's design team simplifies the presentation of complex evidence for juries through compelling illustrations.

Workforce Development provides continuing education and career path opportunities to assist employees in meeting their career goals and finding career satisfaction. This section provides easy access to resources to help all employees stay balanced and engaged in their work and home life.

Equity, Diversity, and Inclusion Office (EDI) ensures that CI's processes and programs are impartial and fair and that they provide equal possible outcomes for every individual. EDI creates and sustains a diverse, equitable, and inclusive environment that respects and accommodates every employee's background, including race/ethnicity, sexual orientation, gender identity, and other protected statuses that make us all unique.

CI is honored to have a highly talented and diverse workforce that is dedicated to bringing criminals to justice. CI continually strives to maintain its status as a top-notch employer by supporting all its employees, providing developmental opportunities, generating paths to career advancement, and investing in each individual's success.

“ CI is honored to have a highly talented and diverse workforce that is dedicated to bringing criminals to justice. ”

STAFFING

★ ★
994
PROFESSIONAL STAFF

UOS
2144
SPECIAL AGENT STAFFING

3138
TOTAL CI STAFFING

CATCHING CRIMINALS UTILIZING FALSE CLAIMS & CREDITS



Tax cheats pull out all the stops to compromise the integrity of the U.S. tax system. Whether it is someone who claims false tax credits or a team of individuals promoting and facilitating abusive tax schemes, it is CI's job to catch the criminals who try to steer clear of paying their fair share. CI investigates promoters and the clients who willfully violate tax laws by participating in abusive tax schemes.

Tax credits that sound too good to be true are usually tax schemes pushed by promoters using improper methods to avoid paying taxes. Promoters peddle large tax deductions by abusing legitimate credits, such as fuel tax credits. Fuel tax credits (FTCs) are meant for off-highway business and farming use and are not available to most taxpayers. The FTC has been around for over 50 years, yet unscrupulous tax return preparers continue to abuse the credit. Individual tax returns requesting FTCs have significantly increased this filing season. In fiscal year 2023, CI initiated investigations involving more than \$164 million of potentially fraudulent FTCs and seized funds totaling \$1.49 million from these schemes.

In April 2023, five individuals were sentenced from six to 40 years in prison for their roles in a \$1 billion biofuel tax conspiracy, one of the largest fraud schemes in U.S. history. The individuals conspired to appear as though they were producing and selling biodiesel to fraudulently claim more than \$1 billion in refundable renewable fuel

tax credits. As a result of the scheme, IRS paid out more than \$511 million in credits to Washakie Renewable Energy, a Utah biodiesel company owned by [Jacob and Isaiah Kingston](#).

Similarly, promoters tout abusive tax schemes under syndicated conservation easements. In September 2023, [Jack Fisher and James Sinnott](#) were found guilty of a fraudulent tax shelter scheme involving syndicated conservation easements, where they and others received more than \$41 million in payments. Fisher and Sinnott designed, marketed, and sold over \$1.3 billion in abusive syndicated conservation easement tax shelters. They grossly inflated the value of the easements so their high-income clients could claim fraudulently inflated tax deductions.

Other fraudsters make false claims on government grant programs. In December 2022, [Christopher Condrón](#) was sentenced to seven years in prison for defrauding the U.S. Treasury of more than \$50 million in tax-free energy grants as part of the American Recovery and Reinvestment Act of 2009. For nearly four years, Condrón and his co-conspirators submitted fraudulent grant applications, falsely claiming entities had acquired, put into service, or started construction of energy property and sought reimbursement under the Act for costs they never actually incurred.



DETECTING FRAUDULENT TAX REFUNDS

Tax-related crimes make up the lion's share of CI special agents' investigations. Few crimes impact all American taxpayers like tax crimes, because tax revenue is the lifeblood of the government. It is estimated that fraudulent tax refunds cost Americans tens of millions of dollars each year.

By investigating bad actors who submit questionable refunds, file returns using stolen identities, use dishonest tax preparers, or claim false tax losses or dependent information, CI helps ensure the integrity of the tax system. CI special agents use their financial investigative expertise to uncover and quantify the seriousness of these schemes.

Questionable refund schemes often involve individuals who file numerous fraudulent tax returns for others, but sometimes they are based solely on false information submitted by a single taxpayer. CI special agents uncovered a years-long scam by [Francis Burns](#), who filed five false tax returns asking for refunds totaling more than \$80 million. He claimed to be filing returns on behalf of an estate or a trust that did not exist. The returns contained fake Forms 1099s that falsely claimed significant sums of income were withheld for federal taxes by third parties, such as banks. In reality, Burns was unemployed, and there was no estate, no trust, and no income. While he did not receive the entire attempted refund amount, he spent the refunds he did receive on expenses including a lavish luxury home and a vehicle. He was sentenced to five years in federal prison and

ordered to pay restitution. CI seized and forfeited a significant percentage of the assets Burns purchased with the fraudulent refunds.

Stolen identity refund fraud occurs when an identity thief uses a legitimate taxpayer's identity to file a fraudulent tax return and to claim a refund. Generally, the identity thief will attempt to get a refund early in the filing season before the legitimate taxpayer files their tax return. CI aggressively investigates these cases and brings perpetrators to justice. In September 2023, [Ariel Jimenez](#) was sentenced to 12 years in prison for leading a tax fraud and identity theft conspiracy, where he obtained stolen identities of hundreds of minors and sold those identities to his tax clients so they could fraudulently claim them as dependents on their tax returns.

Return preparer investigations involve corrupt return preparers, who orchestrate the preparation and filing of false income tax returns for others. These preparers often claim inflated personal or business expenses, false deductions, excessive exemptions, and unallowable tax credits. The preparers' clients may or may not know their tax returns were falsified. In North Carolina, [two return preparers](#) filed 1,000 false tax returns with the IRS that claimed approximately \$5 million in fraudulent refunds. Both women behind this scheme were subsequently sentenced to federal prison and ordered to pay \$5.2 million in restitution to the IRS. CI special agents investigate hundreds of these cases each year, helping ensure fairness in the tax system.



CYBERCRIMES & TRACKING FUNDS THROUGH CRYPTO- CURRENCIES

CI remains focused on stopping those who use digital assets to exploit technology for nefarious purposes, mitigate illicit finance and identify national security risks.

While digital assets provide opportunities for responsible financial innovation, safe and affordable financial services, they also pose risk of facilitating money laundering, cybercrime and ransomware, narcotics and human trafficking, terrorism, and proliferation financing.

Cryptocurrency continues to fuel cybercrime. CI Cybercrime Units have some of the top financial investigators in tracing cryptocurrency. Cybercriminals continue to create more sophisticated hacks and schemes in an attempt to outsmart the law to steal and launder massive amounts of cryptocurrency. CI has demonstrated its ability to pursue these criminals, no matter how complex the schemes, as shown in the Mt. Gox hack and the takedown of the illicit cryptocurrency exchange BTC-e. CI investigation of [BTC-e](#) exchange revealed illicit proceeds from numerous computer intrusions and hacking incidents, ransomware events, identity theft schemes, corrupt public officials, and narcotics distribution rings.

Ransomware, malware, banking trojans, mineware and crimeware, skyrocketed after cryptocurrency was created. From anywhere in the world, a cybercriminal seeks to steal data through any means possible.

This includes computer system hacking or fraudulently gaining trust in targets of opportunity, such as the elderly. Chain hopping and token swapping have become common techniques utilizing uncommon or new cryptocurrency or privacy coins. These techniques used by hackers like [Ilya Lichtenstein](#) make following the money more difficult, but not impossible.

The virtual currency scheme “pig butchering” continued to rise in 2023, primarily targeting U.S. taxpayers. Thus far, the highest identified loss in one of these schemes is \$2 million, but average losses are hundreds of thousands of dollars. This scheme uses fake identities, relationships, and storylines to enable the victim to trust the scammer. After convincing the victim to invest in virtual currency or an over-the counter foreign exchange scheme, the victim becomes unable to access their funds because it’s under the scammer’s control.

Key partnerships with federal law enforcement continues to play an integral role in investigations while following the money trail no matter where it leads. The sentencing of Ionut-Razvan Sandu, a [Romanian national](#), for laundering more than \$3.5 million in fraudulent online auction proceeds brought justice for more than 900 American victims and highlighted the importance of working alongside law enforcement partners to pursue cybercriminals and bring them to justice.

FIGHTING FENTANYL & EXPLOITATION ON THE DARK WEB MARKETPLACE

CI special agents work tirelessly to combat money laundering, drug trafficking, and exploration on darknet marketplaces. CI’s Cyber and Forensic Services and Narcotics and National Security Section collaborated to initiate a Cyber-Organized Crime Drug Enforcement Task Forces (OCDEF) program to directly target criminals using the internet, darknet, and virtual currencies to conduct and profit from the sale of illicit narcotics. Our special agents are experienced in solving sophisticated cyber-related schemes and are up to the challenge of locating and apprehending criminals hiding in the digital world.

Under the Joint Criminal Opioid and Darknet Enforcement (JCODE) task force, CI and other law enforcement agencies around the world have joined forces to identify and take down criminals who use the darknet to buy and sell narcotics. CI plays an integral role in these investigations by following the money trail, whether it is in fiat currency or digital assets on the blockchain.

In May 2023, CI and JCODE partners announced the results of [Operation SpecTor](#). The operation resulted in 288 arrests and the seizure of 117 firearms, 850 kilograms of drugs that included 64 kilograms of fentanyl or fentanyl-laced narcotics, and \$53.4 million in cash and virtual currencies. Defendants in more than

“ CI’s Cyber-OCDEF program directly targets criminals using the internet, darknet, and virtual currencies to conduct and profit from the sale of illicit narcotics. ”

100 cases were prosecuted for selling tens-of-thousands of counterfeit oxycodone pills containing fentanyl, in exchange for cryptocurrency via darknet marketplaces.

Sadly, it is not only narcotics being trafficked on the darknet. Darknet sites also profit from human trafficking and the sexual exploitation of children. In July 2023, [Vincent Galarza](#) was sentenced to over 17 years in prison related to the Welcome to Video investigation. Galarza was one of 337 individuals arrested around the world. As a result of the investigation, law enforcement rescued 23 minor victims who were abused by users of the site.

CI continues to dedicate investigative time and expertise to tackle darknet and cryptocurrency crimes. In June 2023, CI also joined forces with other federal agencies to create the Darknet Marketplace and Digital Currency Crimes Task Force.





INTERCEPTING THREATS TO OUR NATIONAL SECURITY

Criminals, corrupt entities, and foreign adversaries constitute significant financial threats to U.S. National Security. CI leverages our unique investigative authorities, in collaboration with agency partners, to identify, disrupt, and defeat those who engage in activities which degrade our financial integrity, distort markets, and victimize our citizens. CI participates in investigations involving terrorism, espionage, and other significant criminal activities undertaken on behalf of our nation's adversaries or international criminal organizations.

Illicit actors engage in a wide variety of financial crimes and utilize their ill-gotten gains to cyber attacks, direct kinetic, and intelligence against Americans and our interests, both at home and abroad. In June 2023, [three Russian nationals](#) were charged with deploying LockBit ransomware and other cyberattacks against victim computer systems in the United States, Asia, Europe, and Africa. LockBit actors allegedly executed over 1,400 attacks against victims around the world, issuing over \$100 million in ransom demands and receiving tens of millions of dollars in actual ransom payments made in the form of bitcoin.

CI's unique ability to follow the money trail continues to play an integral role in interdicting illicit financing activities and threats to our national security. These

organizations cannot exist without the behind-the-scenes financial support funding their illicit activity. In November 2022, [Mustafa Alowemer](#) was sentenced to over 17 years in prison for his plan to bomb a church in Pittsburgh in the name of ISIS. Alowemer targeted the church, he described as a "Nigerian Christian" church, to "take revenge for our [ISIS] brothers in Nigeria." In April 2023, [Dr. Charles Lieber](#), was sentenced for lying to federal authorities about his affiliation with the People's Republic of China's Thousand Talents Program and failing to report the associated income he received from the Wuhan University of Technology (WUT) in China.

CI also continued to share our best practices by hosting training sessions for other investigative agencies around the world. Most recently, in September 2023, CI trained investigators from Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates on techniques for identifying and combating the flow of money to and within terrorist organizations.

Through our participation in The National Joint Terrorism Task Force (NJTTF) and The National Counterintelligence Task Force (NCITF), CI and our agency partners stand ready in our shared missions to ensure the integrity of the U.S. financial system by combatting illicit finance.



DISRUPTING & DISMANTLING TRANSNATIONAL CRIMINAL ORGANIZATIONS

CI targets money trails tied to transnational criminal organizations, which are often linked to a variety of crimes, including narcotics trafficking, terrorist financing, fraud, and illegal firearms distribution. CI also partners with other law enforcement agencies to pool resources to disrupt the transnational criminal organizations. CI holds key positions with the Executive Office and Fusion Center for the Organized Crime Drug Enforcement Task Force (OCDETF), the Financial Crimes Enforcement Network, the High Intensity Drug Trafficking Areas Task Force, and more. In fiscal year 2023, over 11% of CI's direct investigative time was dedicated to narcotics investigations.

In the last 10 years, CI was involved in approximately 36% of all OCDETF investigations and historically participated in 90% of all money laundering prosecutions across the United States. These investigations resulted in the removal of illegal weapons and drugs, including fentanyl, out of public circulation. In January 2023, [Chance Alan Wilson](#), leader of the Universal Aryan Brotherhood (UAB), was sentenced to additional prison time after being found guilty of distribution of hundreds of kilograms of methamphetamine and other drugs. In total, 69 individuals associated with the UAB's operations have been charged and convicted in both state and federal court. Collectively, the individuals charged federally have been sentenced to 418 years in prison.

CI is not only focused on illegal drugs but also the misuse of prescription drugs. In June 2023, [Dr. Dzung Ahn Pham](#) was sentenced to over 12 years in federal prison for illegally distributing opioids and other powerful narcotics by writing prescriptions for patients without a legitimate medical purpose. Pham admitted he wrote prescriptions for approximately 53,693 pills of oxycodone, 68,795 pills of hydrocodone, and 29,286 pills of amphetamine salts.

CI's specialized financial expertise provides prosecutors with options for charging criminal co-conspirators, especially those who develop elaborate schemes to launder illicit funds via Black-Market Currency Exchanges (BMCE), Trade Based Money Laundering (TBML) schemes, unlicensed Money Service Businesses (MSB), Hawala transactions, shell/shelf corporations, casinos, smurfing, micro-structuring, bulk cash smuggling, or virtual currency exchanges. [Miguel Salinas Salcedo](#) served as a Mexico-based "peso broker," who arranged with drug traffickers to trade pesos that he controlled in Mexico for the cash proceeds in the United States. Salinas Salcedo and associates picked up the cash in the United States, deposited it into various bank accounts, and then made corresponding quantities of pesos available to the traffickers in Mexico. In August 2023, Salinas Salcedo was sentenced to eight years in prison for laundering drug proceeds.





GLOBAL COLLABORATION & ENFORCEMENT

As our world becomes increasingly interconnected through global commerce and technology, CI serves as a leader in protecting the interests of the United States and its allies beyond the physical borders of our country. CI has encountered more complicated transnational crime conspiracies affecting all of CI's investigative priorities, including core mission tax crimes, narcotics-related crimes, and other financial crimes. These schemes include tax evasion, international money laundering, illicit use of virtual currency, cyber hacking, terrorist financing, public corruption, human trafficking, and sanctions evasion.

To combat these offenses, CI has attachés posted in 11 overseas locations, who work with foreign governments and build partnerships to further financial crime investigations. In June 2023, CI deployed four cyber attachés on long-term details to Germany, Colombia, Singapore, and Australia to work with foreign governments on cyber investigations.

CI is a proud member of the Joint Chiefs of Global Tax Enforcement (J5), which attacks transnational tax crime by collaborating on enforcement operations, gathering information, sharing intelligence, and conducting coordinated operations against international criminals. The J5 includes the Australian Taxation Office, the Canada Revenue Agency, the Dutch Fiscal Information and Investigation Service, His Majesty's Revenue and Customs, and CI. In July 2023, J5 efforts resulted in the indictment

of an [international tax advisor](#) accused of concealing millions of dollars of income for high income Americans.

CI's International Training Team (ITT) delivers trainings to representatives from multiple countries across the globe. Training provides foreign governments in developing nations with necessary tools to combat financial crimes. During fiscal year 2023s, ITT taught 33 courses to over 1,100 law enforcement officials from 96 countries. In May 2023, CI delivered blockchain analysis tools and cyber training to Ukrainian law enforcement agencies. In September 2023, CI teamed up with the UK and the Netherlands to provide a second round of training, which was focused on cryptocurrency and blockchain tracing, to Ukrainian law enforcement officers.

CI participates on multiple national taskforces that are uniquely positioned to combat global threats. CI partners with the Office of Foreign Assets Control (OFAC) and Financial Crimes Enforcement Network (FinCEN) to identify, develop, and add new individuals and entities to the Special Designated Nationals list. CI also plays an important role in sanctions enforcement. The agency plays an integral role in Taskforce KleptoCapture, which focuses on Russian sanction evaders.

Working globally to ensure criminals cannot seek cover overseas, CI tirelessly battles complex international financial crimes.



CONTRIBUTING TO THE COMMUNITY

While CI is laser-focused on combatting financial crimes, CI also engages in community outreach to proactively protect fellow citizens from fraud, provide a helping hand, and assist when disaster strikes.

CI participates in hundreds of outreach events year-round to warn the public of fraud and scams, in addition to providing tips during tax filing season. CI offices participate in community events, such as National Night Out and the Law Enforcement Torch Run for Special Olympics. In our local communities, CI employees visited schools to encourage students to strive and thrive as future community leaders and to pursue education. CI offices throughout the country volunteered with a wide variety of organizations to help build homes, feed the hungry, and pack hygiene products and toiletries for those most in need.

CI is proud to partner with the Federal Emergency Management Agency (FEMA) to assist in natural disasters. FEMA designated 14 Emergency Management Functions (EMFs) to assist in disaster recovery efforts, which range from transportation to external affairs. CI has approximately 140 special agents assigned to the ESF #13 Cadre, who provide public safety and security assistance during natural disasters. During deployment,

CI special agents provide security for aid centers, search and rescue teams, or field hospitals in the most impacted areas. In 2023, CI's ESF#13 members were deployed to Maui, Hawaii following the devastating wildfires and to areas of Florida devastated by Hurricane Idalia.

CI special agents play an important role in the Continuity of Operations (COOP) for IRS and Treasury, as they must evacuate executive leadership and provide security for the command center during emergency events. They are also the first responders in case of active shooter situations in many IRS buildings throughout the country.

CI employees also live and volunteer in the communities they work in, and they always step up to help those in need. This is exemplified by the actions taken in March 2023 by a special agent in New York. While getting ready for work, the special agent heard screaming and subsequent gunfire. Armed with his firearm and badge, the special agent ran outside to respond, finding a suspect had shot someone and then entered a taxi. The special agent held the man and taxi at gunpoint until responding NYPD officers could take the man into custody. CI special agents can always be counted on to answer when duty calls.





PROTECTING OUR SENIORS FROM SCAMS

Few segments of the population deserve our respect, admiration, and protection as much as our seniors do. In recent years, seniors have increasingly become the target of a wide variety of online fraud schemes. These schemes run the gamut from romance and lottery scams to so-called grandparent and tech-support scams, and they cost elderly Americans more than \$1 billion each year.

CI tackles these threats through a multitiered approach, consisting of education, criminal investigations, and public-private partnerships. CI also plays a vital role in helping ensure that recovered funds are returned to the victims.

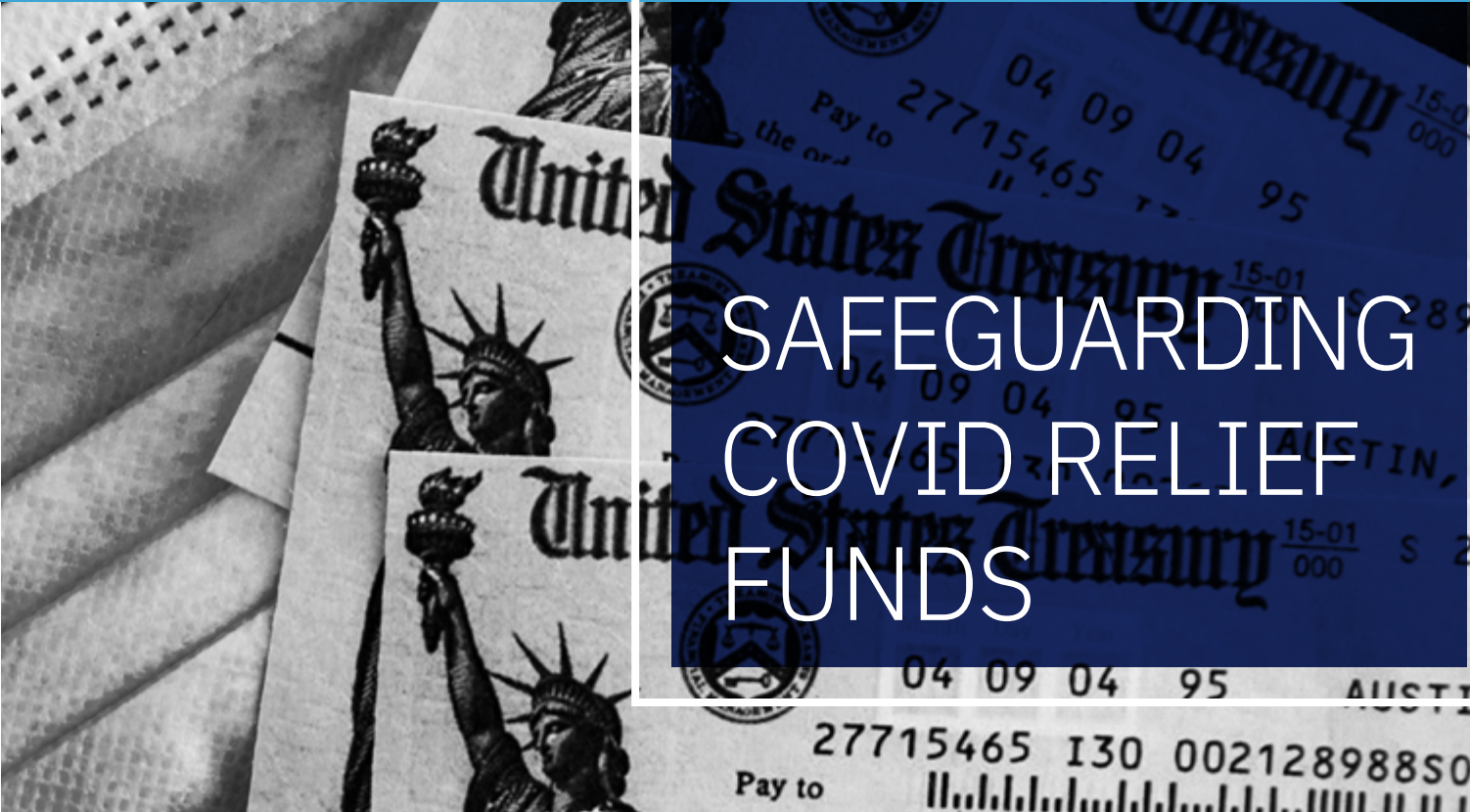
In fiscal year 2023, CI led or assisted in dozens of criminal investigations that brought the operators of fraud schemes to justice. Whether the charges include money laundering, wire fraud, mail fraud, or other charges, CI's vast financial toolkit continues to be a critical force multiplier for successful criminal prosecutions against those who exploit the elderly.

In early 2023, following a years-long investigation, [five defendants](#) received sentences from three to eight years in federal prison for their role in a scam that bilked nearly 70 victims, using a sophisticated "grandparent scam." The defendants claimed that a close relative of the victim

was in extreme danger, thereby inducing the victim to send thousands of dollars to help. In February 2023, [Ejiro Efevwerha](#) was sentenced to over 7 years in federal prison for laundering the proceeds tied to grandchildren-in-jail, inheritance, lottery and romance schemes.

CI also participates on 20 Transnational Elder Fraud Strike Forces, worked through the U.S. Department of Justice (DOJ). These strike forces provide dedicated resources to identify the most harmful elder fraud schemes and to bring perpetrators to justice. Last fall, CI joined the DOJ in announcing the return of approximately \$40 million in funds forfeited to the United States from the Western Union Company to nearly 25,000 victims, some of whom had fallen prey to elderly scams.

Raising awareness through education is a key component to CI's effort to combat elder fraud. CI partnered with the private industry in outreach efforts to arm seniors with tips and resources to provide a critical first line of defense. In support of 2023 National Consumer Protection Week, CI published tips specifically geared to seniors, which were distributed to senior care facilities. The agency has also communicated information about elder fraud at various outreach events and has partnered with congressional representatives to educate seniors in their respective districts.



SAFEGUARDING COVID RELIEF FUNDS

During the COVID-19 pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act that provided economic assistance to the American industry, including workers, families, and small businesses. The CARES Act authorized the Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL) to help businesses survive the economic downturn caused by the pandemic. Unfortunately, criminals saw the CARES Act as an opportunity to defraud the government by submitting false claims.

CI has worked tirelessly finding and holding accountable individuals who defrauded these programs, dedicating over 10% of Direct Investigative Time (DIT) to combat CARES Act violations. Investigations range from fraudulently obtained employee refund tax credits to falsified PPP loans. PPP loans put in place with the intention of protecting employees have been exploited by fraudsters.

As of September 30, 2023, CI investigated 1,444 tax and money laundering cases related to COVID-19 fraud, with an estimated fraud loss of \$8.8 billion. Numerous investigations have resulted in lengthy prison sentences. [Don Cisternino](#) was sentenced to over eight years in federal prison for wire fraud, aggravated identity theft, and illegal monetary transactions for his scheme to obtain false PPP loans. Cisternino received more than \$7.2 million in

emergency funds through fraudulent PPP loans. Rather than use the funds to pay employees and business expenses, he purchased vehicles, including a Maserati and a Mercedes-Benz, and a 12,579 sq. ft. residence on a 12-acre estate. Once Cisternino caught wind of the investigation, he fled to Switzerland, but he was later extradited from Croatia to face charges.

The Employee Retention Credit (ERC) is a refundable tax credit for businesses who paid employees while shutdown due to the COVID-19 pandemic or for those who had significant declines in gross receipts from March 13, 2020 to December 31, 2021. The ERC was designed to encourage businesses to keep employees on their payroll. However, unscrupulous promoters have been encouraging businesses who do not qualify for the credit to file fraudulent ERC claims. As of September 30, 2023, CI has initiated 301 investigations involving over \$3.4 billion of potentially fraudulent ERC claims for tax years 2020 through 2023.

CI's commitment to finding COVID-19 fraud remains unwavering. Working closely with our law enforcement partners on the COVID-19 Fraud Enforcement Task Force, CI continues to bring criminals who defrauded these vital programs to justice.





ROOTING OUT CORRUPTION

CI is uniquely qualified to investigate corruption of all types, because, at its core, corruption is a crime of greed. Corruption is the abuse of power for personal gain. CI investigates elected individuals who violate the public's trust. These individuals may be from all levels of government, including local, county, state, and federal government, as well as foreign entities. Corruption investigations may involve crimes, such as bribery, extortion, embezzlement, kickbacks, tax fraud, and money laundering.

A bribery scheme turned into nearly five years of jail time for [Luis Arroyo](#), a former Illinois state representative who accepted thousands of dollars in bribes from a gaming company. In exchange for those bribes, Arroyo promoted legislation in the Illinois House of Representatives related to the sweepstakes industry and advised other state lawmakers to support the legislation.

Kickbacks, while unethical and unlawful, are also taxable. Kickback schemes run the gamut and can include payments in return for loan approvals, awarding lucrative contracts to personal associates, and pushing

unnecessary medical procedures. In July 2023, [Jimmy and Ashley Collins](#), a husband and wife, pleaded guilty to receiving kickback payments of over \$45 million related to a \$65 million TRICARE scheme. Their clinics authorized over 4,000 prescriptions and billed TRICARE for them. The prescriptions were diverted to a pharmacy, who then kicked back a percentage of the TRICARE reimbursement to the pair.

At times, corruption involves violations of the Foreign Corrupt Practices Act of 1977 (FCPA). FCPA prohibits certain individuals and entities from making payments to foreign government officials to obtain or retain business. In September 2023, [Albemarle Corporation](#), a publicly traded specialty chemicals manufacturing company, paid a hefty price for FCPA violations. The company's third-party sales agents and subsidiary employees conspired to pay bribes to government officials to obtain and retain chemical catalyst business with state-owned oil refineries in Vietnam, Indonesia, and India. A CI investigation into the arrangement resulted in the company agreeing to pay \$218 million as part of a non-prosecution agreement.



RECOVERING LOSSES FOR VICTIMS

While CI works diligently to put criminals out of business, we also recognize the hardships endured by crime victims. CI's asset recovery program utilizes forfeiture authority to disrupt and dismantle criminal enterprises. Investigative seizures and forfeitures enable CI to not only seize assets and proceeds of criminal activity but also to help reimburse victims for their losses.

In the investigation of the Silk Road hacker, [James Zhong](#), the government seized bitcoin valued at over \$3.4 billion at the time of seizure. Using a decentralized bitcoin mixer, an overseas cryptocurrency exchange, and a variety of technology tools, Zhong stole 50,000 bitcoin from Silk Road, an online darknet marketplace. Due to CI's ability to follow the money, even through the Dark web, special agents discovered and recovered the bitcoin stolen by Zhong.

Once adjudicated in federal court, the seized funds are forfeited to the Treasury Forfeiture Fund (TFF), which is managed by the Treasury Executive Office for Asset Forfeiture. Whenever possible, forfeited funds are returned to identified victims of the criminal activity. During fiscal year 2023, CI seized assets valued at approximately \$272 million and forfeited approximately

“ While CI works diligently to put criminals out of business, we also recognize the hardships endured by crime victims. CI's asset recovery program utilizes forfeiture authority to disrupt and dismantle criminal enterprises. ”

\$3.5 billion in ill-gotten proceeds. In addition, approximately \$30.3 million was refunded as part of CI's asset recovery efforts.

If forfeited funds exceed the amount necessary to compensate victims of a crime or those with rightful claim to the asset, the proceeds are used to reimburse law enforcement agencies for expenses like enhanced training, equipment, and costs associated with conducting criminal investigations. In addition, the TFF shares a portion of forfeited funds with other federal, state, and local law enforcement agencies.



SECURING THE INTEGRITY OF THE FINANCIAL SYSTEM

In addition to our tax and money laundering authorities, CI also investigates violations of The Bank Secrecy Act (BSA). The BSA mandates the disclosure of foreign bank accounts, the reporting of certain currency transactions conducted with businesses or financial institutions, and transportation of currency across U.S. borders. While the Financial Crimes Enforcement Network (FinCEN) is tasked with administering the BSA, the U.S. Treasury Secretary delegated responsibility for all criminal enforcement of the BSA to CI.

CI's BSA program has grown substantially since its inception in early 2000. BSA data helps investigators detect suspicious financial activity and identify unusual transactional patterns indicative of criminal behavior. CI leverages our data analytics to identify the highest quality leads for possible investigation. In fiscal year 2023, BSA data was queried in over 89.6% of CI investigations, and 14% of CI's investigations were initiated based on BSA information.

CI-led SAR Review Teams (SAR RTs) and Financial Crimes Task Forces (FCTFs) are in 92 federal judicial districts, where more than 200 special agents and investigative analysts collaborate with federal, state, and local law enforcement partners to identify and investigate financial crimes specific to their geographic areas. These crimes include tax, BSA violations, money laundering, narcotics, and more.

Chief Jim Lee described CI's valued role in the BSA program: "The Bank Secrecy Act exists to prevent financial institutions from being used as a vehicle by criminals to conceal or launder their ill-gotten gains. It also serves as a safety net for crime victims. Hundreds of millions of dollars in restitution have been awarded

to crime victims because our agents were able to use BSA data to prove a crime was committed." CI is the only federal law enforcement agency to win a FinCEN award in every award period since the program's inception in 2015.

CI employs every lawful technique at our disposal, including undercover operations, to detect and investigate potential criminal violations within our jurisdiction, including businesses that willfully fail to file required disclosures under BSA. CI's undercover agents utilize sophisticated techniques to initiate contact with individuals perpetrating crimes and to gather the evidence necessary for prosecution. In FY 2023, special agents conducted approximately 475 undercover operations.

In August 2023, [Junaid "Jay" Sahibzada](#) plead guilty to evading federal reporting requirements for businesses that conduct cash transactions above \$10,000, by failing to file Form 8300. An undercover agent posing as a heroin dealer met with Sahibzada to discuss laundering drug proceeds through jewelry purchases. Sahibzada agreed to help conceal the purchases from the government by not filing the required Form 8300. Sahibzada later admitted to special agents that he had never filed Forms 8300, despite having completed multiple jewelry cash transactions exceeding \$10,000.

BSA data is a force multiplier for CI's investigations and is crucial in combatting a wide variety of financial crimes, including tax evasion. In September 2023, [Mark Gyetvay](#) was sentenced to more than seven years in federal prison in a scheme to hide millions of dollars of income in undisclosed Swiss bank accounts. Gyetvay was convicted of failing to file a Report of Foreign Bank and Financial Accounts (FBAR), making a false statement to the IRS, and willfully failing to file tax returns.

“BSA data is a force multiplier for CI's investigations and is crucial in combatting a wide variety of financial crimes, including tax evasion.”

BSA DATA USAGE

 **1.8M**
AVERAGE QUERIES PER YEAR
BY CI SPECIAL AGENTS

 **14%**
INVESTIGATIONS INITIATED
BASED ON BSA INFORMATION

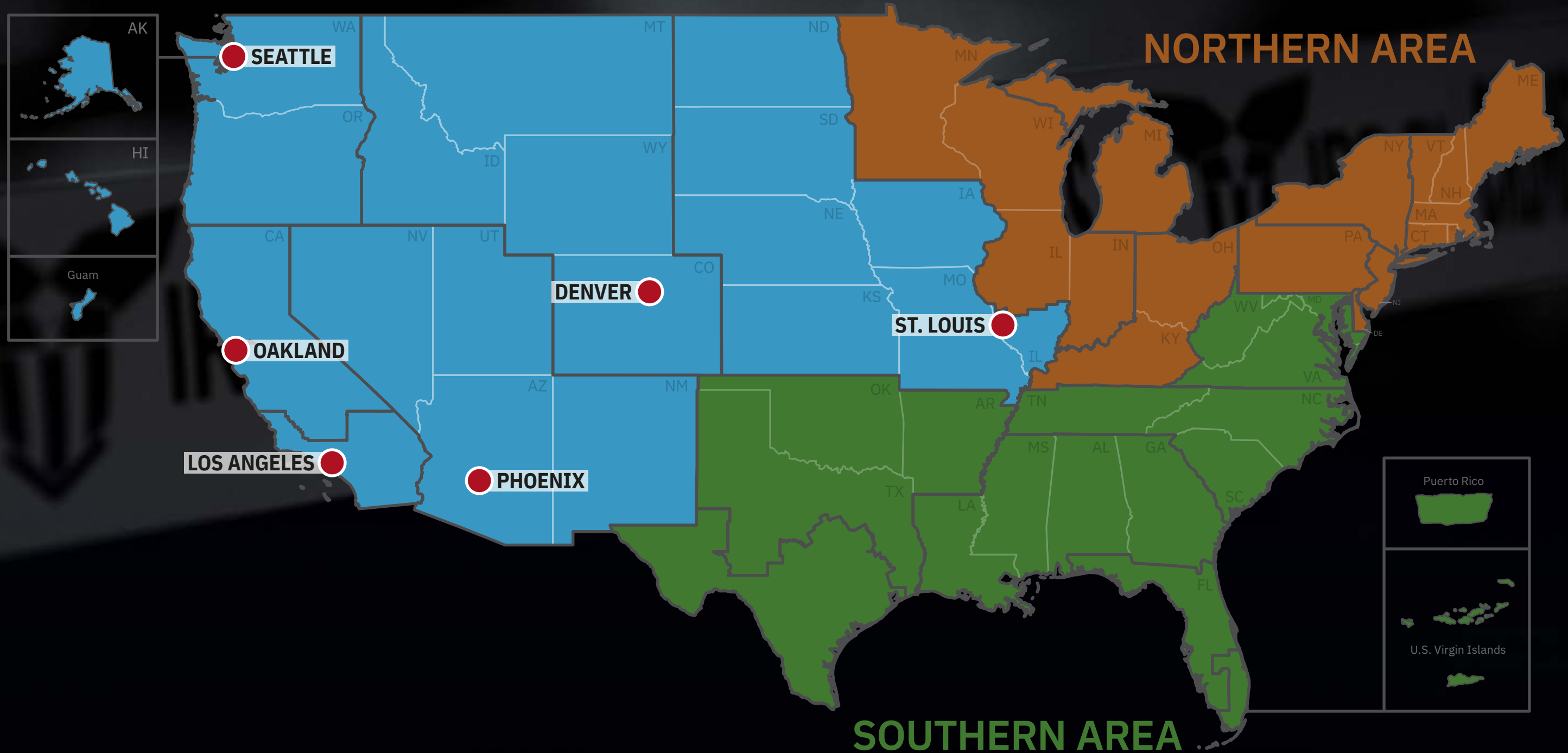
 **89%**
INVESTIGATIONS
QUERIED BSA DATA

Click on an area name to go to that Field Office area.



WESTERN AREA

Click on a city to go to that Field Office or on an area name to go to that Field Office area.



WESTERN AREA

Click on a city to go to that Field Office or on an area name

X CLOSE

DENVER

1999 Broadway Denver, CO 80202
DenverFieldOffice@ci.irs.gov

WESTERN AREA

COLORADO

Colorado Springs • Denver • Durango • Fort Collins
Grand Junction • Westminster

IDAHO

Boise • Coeur D’alene

MONTANA

Billings • Helena • Missoula

WYOMING

Cheyenne

THE DENVER FIELD OFFICE covers a vast and diverse area encompassing approximately 432,500 square miles that includes the states of Colorado, Idaho, Montana, and Wyoming. Our special agents are based in twelve cities throughout the region and specialize in investigating sophisticated financial crimes involving evading federal income or payroll taxes, money laundering, and COVID-19 relief scams. Denver Field Office special agents focus on financial crimes in our region and lead investigations all over the world. When other law enforcement agencies identify any financial aspect of an investigation, they rely on our agents’ unmatched financial investigative expertise to present the most thorough investigation possible to federal prosecutors. These investigations often involve the Organized Crime Drug Enforcement Task Forces (OCDETF) and lead to dismantling drug operations by disrupting the flow of money throughout the organization. Denver’s team also includes our professional staff who provide critical support support to our investigations.

Bookkeeper Sentenced for Embezzling Money from Non-Profit Community Theatre

For 18 months, Carissa Dunn-Pollard worked as a bookkeeper for the Cheyenne Little Theatre Players Inc., a non-profit organization based in Wyoming that relies primarily on volunteers and part-time employees. During this time, she devised a scheme to embezzle \$220,481.57 from the theatre by creating payroll deposits to her bank account. In addition to committing wire fraud, Pollard failed to file federal income tax returns reporting the income for tax years 2018 through 2021, resulting in \$113,251.58 of taxes owed. Pollard spent part of her ill-gotten gains on a Mercedes, a country club membership, and a suite at a Colorado Rockies baseball game for her son’s baseball team. In June 2023, Pollard was sentenced to 21 months in prison for wire fraud and failure to file a tax return. She was also ordered to pay taxes owed to the IRS and \$220,481.57 in restitution to the Cheyenne Little Theatre.

[Learn more about this case.](#)

Colorado Man Receives More than 4 Years in Prison for COVID-19 Relief Fraud

From April 2020 through September 2021, Edward Harrington submitted multiple fraudulent Paycheck Protection Program (PPP) applications to seven banks and one lender on behalf of business entities that he supposedly controlled. He falsely represented that all PPP funds were intended for eligible business expenses when, in fact, the proceeds were used for his benefit to purchase goods and property, including real estate and vehicles. Harrington went on to submit PPP loan forgiveness applications, in which he made more false representations and certifications regarding his businesses and his compliance with the PPP program rules. In July 2023, Harrington was sentenced to 51 months in prison for wire fraud and money laundering and was ordered to pay restitution for the funds he illegally obtained in the amount of nearly \$1.1 million.

[Learn more about this case.](#)

Montana Money Mule Sentenced to 57 Months, Ordered to Pay \$2 Million

From about May 2017 until February 2021, Theresa Chabot, through her business, Avalanche Creek LLC, collected and deposited money from various wire fraud schemes around the United States into her bank accounts. Chabot then funneled millions of dollars overseas, including to the United Arab Emirates, and she received a 10 percent commission on the transactions. These schemes varied, including preying on the elderly, promoting fantasies of love and friendships, and purporting oil investments, advance-pay schemes, and gold and silver investments. In 2018, the Secret Service informed Chabot she was acting as a “money mule,” but Chabot ignored the warning and continued sending money overseas. When interviewed again by agents in 2020, Chabot admitted one instance in which she received \$10,000 hidden in a stuffed animal and deposited the money into her account. In February 2023, Chabot was sentenced to 57 months in prison for operating an unlicensed money transmitting business and was ordered to pay \$2 million in restitution.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

SOUTHERN AREA



DENVER

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WESTERN AREA



Denver Field Office Special Agent in Charge conducts an interview with a television reporter.



Special agents attend an Army base career fair.



A special agent discusses a scenario with students during a Citizen Academy.



Special agents suit up before executing a search warrant.



A special agent conducts quarterly firearms proficiency training.

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LOS ANGELES

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THE LOS ANGELES FIELD OFFICE is the nation’s largest field office by population and serves a population of nearly 24 million people, stretching over nine counties from San Luis Obispo to the border between United States and Mexico. The Los Angeles Field Office covers two judicial districts in California, the Central and the Southern Judicial Districts. The Los Angeles Field Office works a diverse mix of financial investigations across this large geographic area, including cybercrime, international tax fraud, identity theft, public corruption, and Bank Secrecy Act violations. We play crucial roles in the U.S. Attorney’s priority task forces, including JTTF and OCDEF.

L.A. Man Sentenced to Over 24 Years in Prison for COVID-19 Jobless Benefits Scam, Tax Fraud, Drug Trafficking

Edward Kim, of Los Angeles, California, fraudulently obtained nearly \$5.5 million in COVID-related jobless benefits by using the identities of California state prison inmates and other third parties. He also tried to fraudulently obtain more than \$356,400 in tax refunds and trafficked fentanyl and methamphetamine. Kim pleaded guilty in November 2022 to one count of conspiracy to distribute methamphetamine and fentanyl, one count of distribution of methamphetamine, one count of conspiracy to defraud the government with respect to claims, two counts of mail fraud, and two counts of possession of 15 or more unauthorized access devices. He was sentenced in March 2023 to more than 24 years in federal prison. Additionally, he was ordered to pay nearly \$5.5 million in restitution to the California Employment Development Department (EDD) and \$16,800 in restitution to the IRS.

[Learn more about this case.](#)

San Diego Man Sentenced to Prison for Tax Evasion, Fraud and Failing to Appear for His 2001 Sentencing Hearing

Robin J. McPherson, formerly of San Diego but apprehended in Costa Rica, returned to the United States in 2022 to face sentencing for his criminal conduct spanning three decades. McPherson failed to appear for sentencing, conspired to defraud the IRS, evaded the proper assessment of income tax, and committed wire fraud. McPherson was convicted in a December 2000 bench trial of conspiring to defraud the IRS and collectively evading over \$1 million in income taxes for 1993 and 1994, but he skipped his 2001 sentencing hearing date and fled to Costa Rica. Between 2016 and 2020, he continued to defraud individuals out of approximately \$1.5 million by soliciting investment in Costa Rican villas that were never built. In April 2023, McPherson was sentenced to over five years in prison and ordered to pay approximately \$4.7 million in restitution to his victims and the United States.

[Learn more about this case.](#)

French Man Sentenced for International Tax Scheme

From January 2016 to November 2017, Ayodele Arasokun devised a scheme to unlawfully obtain tax refunds by filing fraudulent federal income tax returns. Arasokun collected the names, dates of birth, and Social Security numbers of multiple individuals across the United States, with West Virginia residents among his victims. He then compromised the IRS Electronic Filing Pin application, an online electronic portal used for e-filing, by using the collected personal information to file fraudulent tax returns, which contained fictitious income and withholding amounts and other false information. Arasokun then directed the tax refunds to be deposited onto prepaid debit cards and into bank accounts that he monitored. In total, Arasokun filed 1,701 false tax returns, which claimed false federal income tax refunds of \$9.1 million, and the IRS paid out \$2.2 million of these refunds. In October 2022, a jury convicted Arasokun of 21 counts of wire fraud and aggravated identify theft. In September 2023, Arasokun was sentenced to 34 years in federal prison for orchestrating an international tax scheme.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

SOUTHERN AREA

U.S. Virgin Islands



LOS ANGELES

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LosAngelesFieldOffice@ci.irs.gov

WESTERN AREA



Special agents participate in a career fair to increase exposure of low-income students to diverse careers and professions.



A special agent speaks about CI to university students during a recruiting event.



Special agents maintain firearms proficiency on the range.



A special agent discusses the role of CI special agents during National Night Out hosted by federal law enforcement agencies from across San Diego County.



Los Angeles Field Office Special Agent in Charge participates in a morning news interview with NBC 7 San Diego.

WESTERN AREA

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OAKLAND

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THE OAKLAND FIELD OFFICE is responsible for covering the Northern and Eastern Judicial Districts of California, which is more than half of the state of sunny California. Nine posts of duty cover territory from the west coastline to the Sierra mountains and from the Oregon border all the way down to Bakersfield, CA. The Oakland Field Office is proud to represent CI as the leading agency in financial crimes in Northern California. Tax fraud is a top priority, but the field office also partners with other federal law enforcement agencies in tackling financial crimes, including money laundering and high profile public corruption cases. Oakland Field Office special agents maintain a strong working relationship with the U.S. Attorneys’ Offices and are involved in local task forces, including OCDETF, JTTF, cybercrimes, and public corruption. Some of the top CI cases are investigated by special agents from the Oakland Field Office.

California Man Sentenced to Over 6 Years in Prison for Cow Manure Ponzi Scheme

Ray Brewer devised and operated a multimillion-dollar fraud scheme focused on turning cow manure into green energy. Brewer stole \$8.75 million from investors by claiming to build anaerobic digesters on California dairy farms. Anaerobic digesters breakdown biodegradable material and turn it into methane. Methane can be sold on the open market as green energy and is eligible for renewable energy credits. Brewer shared construction schedules, project-related invoices, and pictures with investors, but in actuality, all of these items were fabricated. When some investors realized they had been defrauded and obtained civil judgments against Brewer, he moved to Montana and assumed a new identity. In June 2023, Brewer was sentenced to 81 months in prison.

[Learn more about this case.](#)

Multiyear Prison Sentences for California Men for COVID-19 Business Loan Fraud

Jeffrey Hedges and Manuel Asadurian lied to the Small Business Administration and federally insured financial institutions on a total of 12 loan applications through the Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) program intended to help businesses during the pandemic. In total, they fraudulently obtained more than \$3 million in loans intended to help businesses. In January 2023, Hedges was sentenced to seven years in prison and ordered to pay nearly \$2.1 million in restitution payments, while Asadurian was sentenced in February 2023 to over four years in prison and ordered to pay nearly \$1.1 million in restitution.

[Learn more about this case.](#)

Software Company CEO Sentenced to 2 Years in Prison for Tax, Conspiracy Charges

Kishore Kethineni, the CEO of multiple software development and IT services companies in the Bay Area, fraudulently obtained over \$3.1 million in loans under the Paycheck Protection Program (PPP). From April 2020 through May 2021, Kethineni and his brothers submitted PPP loan applications on behalf of their companies and provided falsified payroll data and records to obtain loans and loan forgiveness. Kethineni also admitted to willfully failing to account for and pay employment taxes that his company had withheld from its employees, incurring an employment tax liability of over \$2 million over the course of five years. In August 2023, Kethineni was sentenced to two years in prison for conspiracy to commit bank fraud and failure to pay more than \$2 million in employment taxes. He was also ordered to pay nearly \$3.3 million in restitution, to forfeit nearly \$3.2 million, and to pay a \$15,000 fine.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

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OAKLAND

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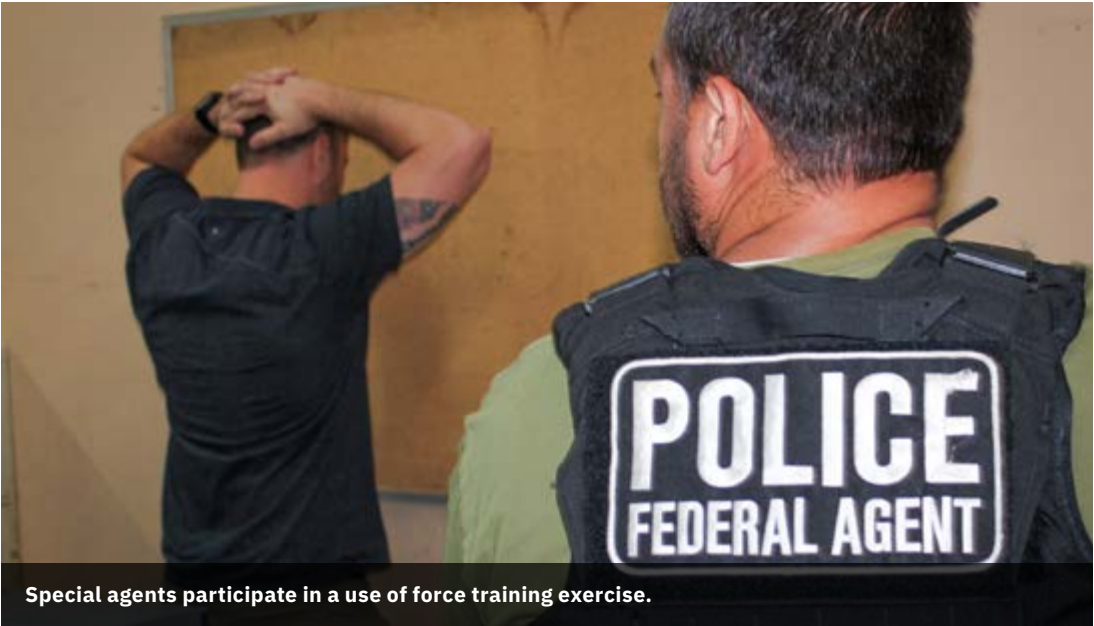
WESTERN AREA



Special agents recruit future financial investigators at a career fair.



A special agent participates in the Baker to Vegas Law Enforcement Relay Challenge.



Special agents participate in a use of force training exercise.



Oakland Field Office's Special Agent in Charge answers a news reporter's questions.



Special agent participates in firearms training.

WESTERN AREA

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THE PHOENIX FIELD OFFICE covers the southwestern states of Arizona, Nevada, New Mexico, and Utah. After recently merging with the former Las Vegas Field Office, the office now covers a vast geographic area that stretches from the Sierra Nevada Mountains in the west to the Rockies in the east. The office’s special agents investigate both legal and illegal source tax crimes, including cases with an international nexus. The office also operates multiple financial crimes task forces. Located on the border of the United States and Mexico, the office provides significant participation in high level OCDETF cases. From the Grand Canyon of Arizona to the bright lights of Las Vegas, the Phoenix Field Office identifies and investigates a wide variety of complex financial crimes.

Leader of Human Smuggling Organization Sentenced to 96 Months in Prison

Manuel Ochoa-Vasquez served as a leader in a smuggling organization that harbored and transported more than 7,000 undocumented non-citizens and laundered funds from the scheme. When payments were late, Ochoa-Vasquez and his co-conspirators detained undocumented non-citizens and sometimes threatened their sponsors until payments were received. Search warrants revealed guns, ammunition, evidence of money laundering, and over \$1.4 million in cash. In June 2023, Ochoa-Vasquez was sentenced to 96 months in prison and three years of supervised release.

[Learn more about this case.](#)

Albuquerque Man Sentenced to 94 Months for \$1.2 Million Wire Fraud, Identity Theft Scheme

From 2009 to 2018, George Martinez of Albuquerque, New Mexico, used his position as the unit supervisor and bureau chief of the Questionable Refund Unit at the New Mexico Taxation and Revenue Department to fraudulently alter tax refunds and direct more than \$1.2 million to bank accounts he controlled. Martinez perpetrated the fraud by copying tax returns that had already been processed and by creating new returns in taxpayers’ accounts and altering taxpayer information. In January 2023, Martinez was sentenced to 94 months in prison, ordered to pay restitution, and issued a forfeiture of money judgment totaling \$689,797, for 42 counts of wire fraud and aggravated identity theft and six counts of money laundering.

[Learn more about this case.](#)

Former Airline Executive Sentenced for \$2.6 Million Tax Evasion Scheme

From 2014 to 2016, William Acor was the president and CEO of Vision Airlines Inc., headquartered in North Las Vegas. He was responsible for collecting, accounting for, and paying IRS taxes withheld from employee wages, which he failed to do. Acor also failed to pay over Vision Airline’s employer share of Social Security and Medicare taxes. In total, Acor failed to pay over \$2.6 million in employment taxes. In January 2023, Acor was sentenced to two years in prison and ordered to pay \$1.66 million in restitution to the IRS.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

SOUTHERN AREA

U.S. Virgin Islands



PHOENIX

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PhoenixFieldOffice@ci.irs.gov

WESTERN AREA



A special agent collects evidence during a search warrant.



Special agents conduct firearms training at an outdoor range in Las Vegas.



Phoenix Field Office members participate at an Arizona State University career fair.



An Arizona Air National Guard honor guard and an Arizona law enforcement honor guard perform funeral honors for Special Agent Pat Bauer on August 31, 2023.



Phoenix Field Office members at annual field office training.

WESTERN AREA

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SEATTLE

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THE SEATTLE FIELD OFFICE investigates a wide variety of complex crimes related to domestic and international tax, public corruption, identity theft, cybercrime, and drug-related financial crimes. Our area of operation spans four states and two territories: Alaska, Hawaii, Oregon, Washington, Guam, and the Commonwealth of the Northern Mariana Islands. The Seattle Field Office works with U.S. Attorneys’ Offices in seven judicial districts in four different time zones (on both sides of the international date line). The field office is privileged to serve a diverse and unique population of taxpayers. Financial investigative expertise, meticulous planning, and determined collaboration allow us to effectively combat all types of financial crime for the benefit of the communities within our geographic area.

Arizona Man Sentenced to 9 Years in Prison for Massive Tax Fraud Scheme

Charles St. George Kirkland ran an eight-year tax fraud scheme that resulted in more than \$50 million in illegal tax refunds being released by the IRS. Kirkland falsely claimed in tax filings he had lost more than \$135 million by investing in solar equipment, then he “sold” those made-up losses to taxpayers through a network of tax preparers, telling the preparers that their clients could use Kirkland’s losses to claim refunds on their own tax returns. Taxpayers filed amended returns claiming that, because of the losses transferred from Kirkland, they were entitled to a refund of all the tax payments they had made in a prior tax year. After receiving the fraudulent refunds, taxpayers paid 90 percent of the proceeds to Kirkland. The scheme resulted in 3,200 fraudulent tax returns being filed and a loss to the U.S. Treasury of \$51.6 million. In June 2023, Kirkland was sentenced to nine years in prison, imposed a \$1 million fine, and ordered to pay restitution. This case was jointly worked with the Phoenix Field Office.

[Learn more about this case.](#)

Kauai Woman Sentenced to 17 Years in Prison for Wire Fraud, Aggravated Identity Theft

Leihinahina Sullivan participated in multiple fraud schemes that landed her in prison. Sullivan purposely filed hundreds of false federal and state tax returns for herself and others, which included fictitious expenses, claims for credits, and other items. This fraud scheme involved over \$2.8 million in tax losses, mostly in the form of fraudulent tax refunds from the IRS and the State of Hawaii. In addition to the false returns, Sullivan prepared and submitted false student loan, grant, scholarship, and financial aid applications requesting money from public and private educational-based financial assistance and aid providers. Sullivan also used individuals’ personal identification information to apply for and use approximately 40 credit cards in other people’s names and under their guaranteed lines of credit without their authorization. She spent over \$1 million using the fraudulently obtained credit cards. In March 2023, Sullivan was sentenced to 17 years in prison for wire fraud and aggravated identity theft related to the multiple long-running fraud schemes. She was ordered to pay nearly \$3.4 million in restitution to various victims, including public and private entities, and to forfeit just over \$2 million.

[Learn more about this case.](#)

Former Aequitas CEO and Company Executives Sentenced for Roles in \$300 Million Fraud Conspiracy

Three former executives of Aequitas Management, LLC, an asset management firm, were sentenced to federal prison for their roles in a vast fraud conspiracy. Aequitas held investments in a variety of notes and funds, which were purportedly backed by trade receivables in education, health care, transportation, and other consumer credit areas. The former executives solicited nearly \$300 million from investors by misrepresenting Aequitas’ use of investor money, the financial health of the company, and the risks associated with its investments. In September 2023, former CEO Robert Jesenik and two other Aequitas executives, Andrew MacRitchie and Brian Rice, were sentenced for conspiracy to commit mail and wire fraud, conspiracy to commit money laundering, and wire fraud. Jesenik was sentenced to 14 years in prison and ordered to forfeit more than \$1.5 million, MacRitchie was sentenced to 70 months in prison and ordered to forfeit \$689,662, and Rice was sentenced to 37 months in prison and ordered to forfeit \$116,627.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

SOUTHERN AREA

U.S. Virgin Islands



SEATTLE

915 Second Avenue, Seattle, WA 98174
SeattleFieldOffice@ci.irs.gov

WESTERN AREA



Special agents from Alaska participate in a local team building event.



Special agents from Oregon discuss the plan before an enforcement action.



Deputy Chief Guy Ficco with special agents from the Seattle Field Office at the Global ACFE conference.



Special agents from Hawaii after a team building activity.



Members of Seattle Field Office's professional staff.

ST. LOUIS

1222 Spruce Street, St. Louis, MO 63103
StLouisFieldOffice@ci.irs.gov

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As part of the Gateway to the West, **THE ST. LOUIS FIELD OFFICE** serves a territory that spans the states of Iowa, Kansas, Missouri, Nebraska, North Dakota, South Dakota, and 38 counties in southern Illinois. With more than 90 special agents and professional staff members assigned to 15 posts of duty, the St. Louis Field Office serves a population of more than 17 million people in nine judicial districts. While tackling tax fraud is a top priority, the office also partners with other law enforcement agencies in the investigation of a wide variety of financial crimes, including money laundering, narcotics trafficking, and identity theft. To build strong community ties, the special agents participate in outreach activities at local colleges and community organizations, which helps to build a level of trust within the community and to recruit a diverse pool of talent. Recognizing CI’s distinction as the finest financial investigation team in the world, the St. Louis Field Office plays a critical role in several task forces with the U.S. Attorneys’ Offices, including OCDETF.

 [View FO Photo Gallery](#)

Local Rapper Sentenced to 30 Years for Drug Trafficking, Money Laundering

Kansas City based gang member David Duncan participated in a drug-trafficking conspiracy and other violent criminal behaviors that included illegal firearms and a drive-by shooting outside a daycare center, where children were present. Duncan was a rap artist and member of the 246 street gang, who often posted videos containing displays of firearms and large amounts of cash to social media platforms. Members of the 246 gang used a residence, located close to a public elementary school, for gang and drug-trafficking business. Law enforcement officers executed a search warrant at the house and seized 295 grams of heroin, two assault rifles, and a stolen vehicle. The stolen vehicle had been used in a drive-by shooting, which was done at Duncan’s direction. When Duncan was arrested, officers found several weapons, \$7,100 in cash, and more than two kilograms of oxycodone. In addition to several drug and weapons charges, Duncan was also found guilty of five counts of money laundering related to the purchases of money orders with drug-trafficking proceeds. He used the money orders to pay rent for his apartment and a payment on his car. Duncan laundered at least \$272,231 in cash deposits, purchases, and money orders. Duncan was sentenced to 30 years in prison.

[Learn more about this case.](#)

Father-Daughter Duo Sentenced to Prison for Tax Fraud and Preying on Vulnerable Populations

Thein Maung and his daughter, Phyo Mi, ran a shady tax preparation business from their home in Iowa. To boost the amount of tax refunds customers received, Maung and Mi prepared taxes for a fee and included several schedules, forms, and false claims for credits without their customers’ knowledge or approval. The returns included false claims for residential energy credits, business-expense deductions, and moving-expense deductions for military service members. The duo primarily catered to immigrants and refugees, who worked at meat-packing facilities. Their clients had little to no ability to read, write, or speak English. From 2018 to 2022, Maung and Mi caused over 1,600 tax returns to be filed. The fraudulent tax returns claimed over \$3.5 million in residential energy credits. Maung was sentenced to 12 years in prison, and Mi was sentenced to nine years in prison.

[Learn more about this case.](#)

Omaha Man Sentenced for Tax Evasion and Role in Million-Dollar Embezzlement

Jeffrey Stenstrom owned and operated a commercial remodeling and repair business from 2006 through 2021. Stenstrom entered contracts to perform repair work for clients and hired sub-contractors to do the work. With the help of his now deceased co-conspirator, Brett Cook, Stenstrom billed clients for work not completed, overbilled for other work, and submitted inflated invoices to insurance companies to fraudulently collect insurance proceeds to which clients were not entitled. In addition to the fraud scheme, Stenstrom also owed personal income taxes for the years 2012 through 2016. After the IRS assessed a tax debt of \$1.7 million for income earned during those years, Stenstrom took steps to hide pricey assets he owned in the name of a third party. When the IRS placed a tax levy on Stenstrom’s accounts, he continued his scheme to evade payment of his taxes by directing work to a fraudulent company created by Cook. Stenstrom deposited his fraud proceeds into bank accounts, commingling them with legitimate funds, and used the proceeds to fund a lavish lifestyle. Stenstrom was sentenced to 78 months in prison. He was also ordered to pay more than \$5 million in restitution to the victims of his crimes and nearly \$2 million to the IRS.

[Learn more about this case.](#)

ST. LOUIS

1222 Spruce Street, St. Louis, MO 63103
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WESTERN AREA



An investigative analyst boxes up closed case files.



Special agents take photos at a search warrant.



Special agent prepares at Women in Federal Law Enforcement annual conference.



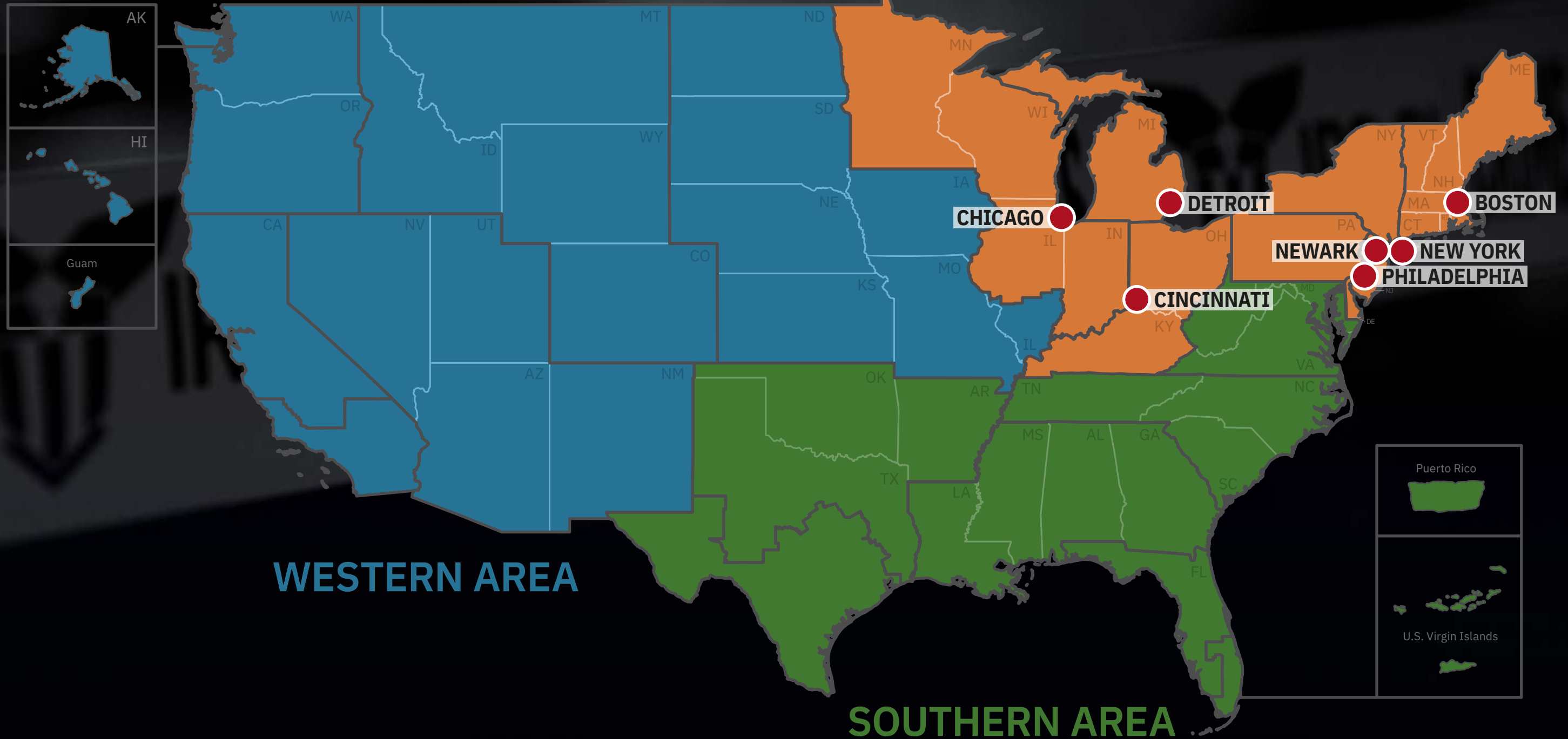
The St. Louis Field Office Special Agent in Charge presents on CI.



Special agents participate in National Night Out 2023 in Prairie Village, Kansas.

NORTHERN AREA

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THE BOSTON FIELD OFFICE covers the six New England states, including Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont, each of which has their own judicial district. New England is home to some of the greatest sports franchises, a long coastline of beautiful beaches, and several of the oldest and most renowned colleges and universities in the country. The Boston Field Office’s relationship with the U.S. Attorney’s Office and our law enforcement partners is one of the best in the country. The Boston Field Office special agents are vital members of several task forces, including OCDETF, JTTF, cybercrimes, securities fraud, and health care fraud.

Money Manager Sentenced for Defrauding Clients of Millions of Dollars

Steven Xigoros used his position as an accountant, tax preparer and investment advisor to persuade clients to entrust their money to him to make various investments, to purchase securities, and to lend him money for purported business ventures. However, he lied to his clients and defrauded them of more than \$4.3 million. In one instance, Xigoros stole the entire life savings of an elderly couple, who gave him more than \$1.3 million to make investments on their behalf. He then used the money to pay his own expenses, including his gambling debts. Xigoros also failed to pay taxes, owing more than \$1 million to the IRS. While on pre-trial release, he was arrested trying to flee to Greece to evade prosecution. In October 2022, Xigoros pleaded guilty to two counts of wire fraud, one count of aggravated identity theft, and one count of filing a false tax return. Xigoros was sentenced to more than 9 years in prison in February 2023. He was also ordered to pay more than \$4.7 million in restitution to his victims and the IRS, as well as to forfeit more than \$4 million.

[Learn more about this case.](#)

Operator of Aircraft Supply Businesses Sentenced to 11 Years in Prison for \$7 Million Fraud Scheme

Kyle J. Wine owned and operated several commercial aircraft supply companies. Over the course of at least four years, Wine defrauded investors of his companies by using their money to purchase aircraft airframes and engines. He then sold the aircraft airframes and engines and hid the resulting profits from his investors. Wine used his victims’ invested funds for his own personal use. As part of the scheme, Wine convinced an investment firm based in Darien, Connecticut, to invest \$4.5 million in the purported acquisition and sale of an Airbus A320-231 airframe and two aircraft engines. Wine created fake domain names and email accounts, and he used the accounts to send fraudulent correspondence to the victim to trick the investor into believing that Wine’s company was attempting to sell the Airbus airframe and the engines to certain buyers. In fact, Wine had already sold one engine for \$2.45 million and the Airbus airframe for \$1.3 million. He never informed the investor of those sales, and he did not share the proceeds of the sales with the investor. Wine also used some of these invested funds to purchase another aircraft engine without the knowledge of the victim investor. In total, Wine’s fraud scheme caused more than \$7 million in losses to 13 separate victims. Wine was sentenced to 11 years in prison for this \$7 million fraud scheme.

[Learn more about this case.](#)

Massachusetts and Connecticut Men Sentenced for Their Roles in a Ponzi and Tax Fraud Scheme

Thomas D. Renison was the former owner of a privately held investment company that purportedly pooled money from investors to invest in various New England-based businesses. Over the course of at least three years, Renison and Timothy Allcott fraudulently raised and solicited funds by misrepresenting how funds would be invested, the company’s investment track record, and the safety of the investments. Renison’s company took in over \$6 million from investors but only invested half of that amount. Most of those investments yielded significant losses. Despite the losses, Renison and Allcott used the investor funds to pay themselves exorbitant commission fees, to satisfy monthly interest obligations to other earlier investors, and to invest in different undisclosed businesses. The SEC had previously barred Renison from working in the securities industry. Renison and Allcott disguised commissions paid to Renison as loans to Renison’s wife to conceal Renison’s ownership in the business. In addition, Renison failed to declare more than half a million dollars of commission income and failed to pay over \$150,000 in taxes. Renison was sentenced to four years in prison and was ordered to pay \$6.2 million in restitution. Allcott was sentenced to two and a half years in prison and was ordered to forfeit over \$5 million and pay over \$6 million restitution for his role in the Ponzi scheme.

[Learn more about this case.](#)

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NORTHERN AREA



Special agents assist partner law enforcement agencies in securing the Boston Marathon.



The Boston Field Office's ASAC delivers remarks at a press conference after the orchestrator of a nationwide conspiracy to facilitate cheating on college entrance exams was sentenced.



Special agents prepare to run the Boston Marathon, a 26.2 mile trek through eight cities and towns around the greater Boston area.



Special agents participate on a law enforcement panel during the Connecticut Chapter of Association of Certified Anti-Money Laundering Specialist event.



Special agents prepared 8,700 meals for families in need at the Greater Boston Food Bank.



Special agents conduct outreach and recruiting at Suffolk University.

NORTHERN AREA

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X CLOSE

CHICAGO

230 S Dearborn Street, Chicago, IL 60604
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NORTHERN AREA

INDIANA

Carmel • Evansville • Fort Wayne • Indianapolis
Merrillville • South Bend

ILLINOIS

Chicago • Downers Grove • Matteson •Orland Park
Peoria • Rockford • Schiller Park • Springfield

MINNESOTA

Duluth • St. Paul • Rochester

WISCONSIN

Eau Claire • Green Bay • Madison • Milwaukee

Anchoring the Mid-West, **THE CHICAGO FIELD OFFICE** covers several major cities and areas, dotting the coastline of Lake Michigan, Lake Superior, and the Mississippi River. The Chicago Field Office has 21 posts of duty with over 165 special agents and professional staff across Minnesota, Wisconsin, Indiana, and most of Illinois. Second to none, the Chicago Field Office tackles tax fraud as its top priority and investigates a wide array of financial crimes, including money laundering from narcotics trafficking and COVID-19 fraud. Chicago’s special agents also work with their law enforcement partners to lend their financial expertise to task forces, including HIDTA, OCDETF, JTTF, cybercrimes, and political corruption. Serving over 235,000 square miles, the office is consistently building on and bolstering its relationships with other law enforcement partners, the U.S. Attorneys’ Offices, and the public to identify, investigate, and refer quality cases for prosecution.

CEO of Medical Device Company Who Dodged \$6 Million in Taxes Sentenced

Larry Lindberg was the CEO and owner of Midwest Medical Holdings LLC, a Mounds View-based pharmaceutical and medical equipment company. Lindberg was responsible for filing tax returns and paying taxes on behalf of the company. Lindberg failed to pay the IRS several hundred thousand dollars in federal payroll taxes each quarter. In all, Lindberg owed more than \$6 million to the IRS. Lindberg entered into several installment agreements with the IRS but ultimately defaulted on each of the agreements. Whenever the IRS attempted to collect on the tax debt, Lindberg took steps to evade the collection efforts by hiding his assets. Lindberg diverted money from his company to other entities, and he then used it to fund his personal lifestyle, including buying real estate and other assets. He also put assets in the name of his children, including an airplane, a hanger, and two vacation homes in Florida. Lindberg was sentenced to 24 months in prison and ordered to pay more than \$6 million in restitution.

[Learn more about this case.](#)

Fugitive Embezzling Bookkeeper Apprehended and Sentenced

Jody Russell Trapp was a bookkeeper for Shelton Machinery, Inc., an Indiana-based distributor of advanced machines and saws. Trapp stole more than \$2.2 million from Shelton Machinery by diverting checks made payable to one of the company’s suppliers into his personal bank account. He used duplicate and fictitious invoices and checks to carry out his fraud scheme. While Trapp was on pretrial release in 2012, he absconded from his residence. In 2021, Deputy U.S. Marshals located him living under an assumed name in Utah. Trapp was sentenced to 90 months in prison and was ordered to pay \$2.5 million in restitution to his victims.

[Learn more about this case.](#)

Chicago Woman Sentenced to Prison for Fraud and Tax Crimes

Eunice Salley, a Chicago tax preparer, filed false tax returns with the IRS on behalf of clients. Salley prepared client tax returns that reported fictitious wages and withholdings, as well as false medical, charitable, and employment expenses. In addition to charging her tax preparation fee, Salley also demanded some clients pay her as much as half of the resulting tax refund. In total, more than \$1 million in fraudulent refunds were sought from the IRS. Salley was also convicted of pension fraud for collecting her grandmother’s pension checks after she passed away and representing to the plan administrator that her grandmother was still alive. Salley was sentenced to seven years in prison after her trial conviction and ordered to pay over \$558,369 in restitution to the United States.

[Learn more about this case.](#)



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SOUTHERN AREA



CHICAGO

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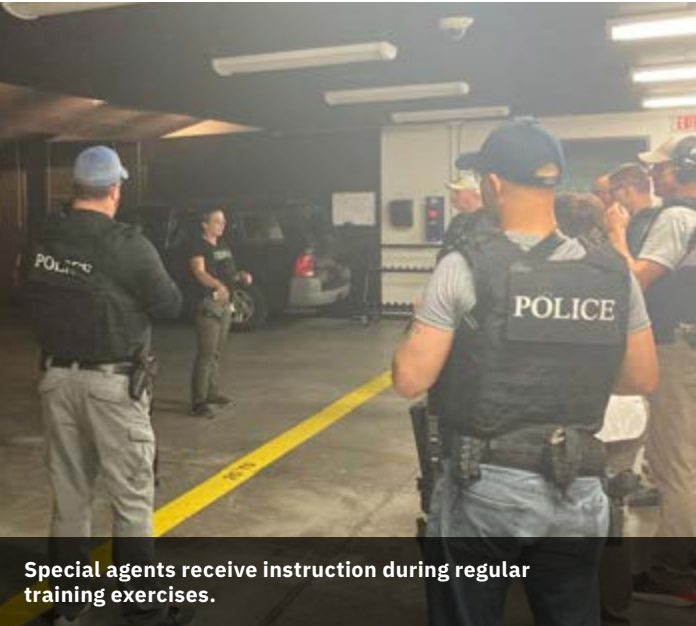
NORTHERN AREA



Special agent reviews evidence of a financial crime.



Special agents collaborate during a training event.



Special agents receive instruction during regular training exercises.



Special agents participate in a college recruiting event.



Chicago Field Office Employees honored Police Week and commemorated the passing of Special Agent Lily Acosta by hosting a lakefront run to the Chicago Police Department Gold Star Memorial Park.

NORTHERN AREA

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X CLOSE

CINCINNATI

550 Main Street, Cincinnati, OH 45202
CincinnatiFieldOffice@ci.irs.gov

NORTHERN AREA

KENTUCKY

Bowling Green • Lexington • Louisville

OHIO

Akron • Canton • Cincinnati • Cleveland • Columbus • Dayton
Independence • Toledo

THE CINCINNATI FIELD OFFICE comprises of the states of Ohio and Kentucky, which contain two federal judicial districts in each state. The Cincinnati Field Office works closely with our federal, state, and local law enforcement partners to investigate and prosecute tax, money laundering, and related financial crimes that affect the Southern and Northern Judicial Districts of the “Buckeye State” and the Eastern and Western Judicial Districts of the “Bluegrass State.” Our special agents and professional staff provide unparalleled financial expertise to lead investigations against the most egregious white-collar criminals. In concert with the U.S. Attorney’s Office, as well as our civil and law enforcement partners, our investigations have a significant impact on regional and national enforcement priorities that include income tax evasion, questionable tax refund/return preparer fraud, COVID-19 relief fraud, public corruption, cybercrimes, and narcotics related crimes.

Final Defendant Sentenced in Romance Scam for Laundering over \$11 Million in Fraud Proceeds

Robert Asante conspired with at least six other co-defendants to launder money generated from online romance scams. The romance scams involved individuals who created several profiles on online dating sites. After establishing relationships, perpetrators of the romance scams requested money, typically for investment or need-based reasons, and provided account information and directions for where money should be sent. In part, these accounts were in the names of the defendants, their family members, and their companies. Asante and the co-defendants tried to conceal the source of the funds by withdrawing cash, transferring funds to other accounts, buying official checks, and wiring money to Ghana, China, the United States, and more. In February 2023, Asante was sentenced to 60 months in prison and ordered to pay restitution of more than \$11.5 million for conspiracy to commit money laundering.

[Learn more about this case.](#)

Ravenna CPA Sentenced for Embezzling More Than \$1 million from Employer and Submitting False Tax Returns

Michael Harman was a certified public accountant and was employed as a company controller, where his responsibilities included processing payroll adjustments. Harman embezzled more than \$1 million from his employer by using a series of unauthorized wire transfers, fictitious checks, and fraudulent charges on his employer’s credit cards. Harman used the embezzled funds for his own personal use, including child support payments and moving expenses. In addition, Harman failed to report the income he earned from the scheme on his tax returns. Harman was sentenced to 43 months in prison.

[Learn more about this case.](#)

Cleveland Man Sentenced in Drug Trafficking and Money Laundering Conspiracy

Devonn Fair was one of the leaders of a large-scale fentanyl trafficking organization that operated on the east side of Cleveland. The Fair drug trafficking organization distributed fentanyl at several residences throughout the east side of Cleveland and drew customers from as far away as Medina, Wayne, and Lorain Counties. Fair and his organization profited from their crimes and laundered those profits by purchasing expensive clothing, jewelry, and vehicles. In addition, Fair possessed a firearm, even though he was prohibited under federal law due to his previous felony convictions. Fair was sentenced to 35 years in prison for his crimes.

[Learn more about this case.](#)

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CINCINNATI

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NORTHERN AREA



The Cincinnati Field Office Assistant Special Agent in Charge discusses CI with new Kentucky sheriffs.



The Cincinnati Field Office Special Agent in Charge presents asset forfeiture funds to Louisville Metro Police Department.



The Cincinnati Field Office Special Agent in Charge discusses romance fraud with 10TV in Columbus, Ohio.



Special agents conduct firearms training in southwestern Ohio.



A special agent discusses filing season with 10TV in Columbus, Ohio.

NORTHERN AREA

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DETROIT

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DetroitFieldOffice@ci.irs.gov

NORTHERN AREA

MICHIGAN

Ann Arbor • Detroit • East Lansing • Flint • Grand Rapids
Pontiac • Traverse City

THE DETROIT FIELD OFFICE area of responsibility encompasses the state of Michigan and its two judicial districts. The state of Michigan is surrounded by the Great Lakes, which are the largest surface freshwater system on the Earth. With Michigan’s diverse cultures and proximity to the Canadian border, Detroit CI special agents are involved in a variety of criminal investigations, including traditional tax, corporate fraud, COVID-19 fraud, and money laundering. To address the various priorities impacting Michigan, agents are embedded in a variety of task forces with our law enforcement partners, such as the JTTF, public corruption, and OCEETF, among others.

Former Detroit Resident Sentenced to Prison for \$27 Million Tax Fraud Scheme

Sameerah Marrell defrauded the IRS by filing 122 false and fictitious income tax returns for estates and trusts, and she defrauded the Treasury Departments for Minnesota, Georgia, Maryland, Arizona, Connecticut, and Colorado by filing numerous state income tax returns. She sought nearly \$14 million from the IRS and nearly \$15 million from the six states, by claiming bogus refunds on the returns filed. Altogether, Marrell and her accomplices successfully caused the issuance of approximately \$8.5 million in fraudulent tax refunds. In February 2023, she was sentenced to 54 months in prison, followed by 36 months of supervised release, and she was ordered to pay nearly \$8 million in restitution.

[Learn more about this case.](#)

Fentanyl Trafficking Kingpin Sentenced to 22 Years in Prison

Maurice McCoy led a drug organization with international ties that trafficked fentanyl, heroin, and cocaine across the country. Working as part of an OCEETF task force, federal law enforcement seized more than 30 kilograms of fentanyl and over half a million dollars in cash from the organization’s stash house in Novi, Michigan. At the time, the seizure was the largest fentanyl seizure in Michigan and one of the largest in the United States. Agents traced a UPC code off a Sony PlayStation box that was used to deliver heroin to a drug customer. That UPC code led to the Novi home, where the PlayStation was active. McCoy directed the organization’s activity and lived lavishly off its proceeds, purchasing a Porsche Panamera, a \$500,000 home in the greater Los Angeles area, and expensive jewelry, including diamond and gold pendants for some members of his drug organization. In March 2023, McCoy was sentenced to 22 years in prison.

[Learn more about this case.](#)

Michigan Bank Employee Sentenced to 41 Months for Embezzlement, Tax Evasion

John Figg used his position as a senior vice president at United Bank of Michigan to access account records of bank clients. Between 2014 and 2021, he identified account owners who did not scrutinize their accounts, and then he embezzled funds from those accounts. Figg also obtained fraudulent loans in customers’ names and used the loan proceeds for his own use. He also redirected loan closing fees, usually collected by the bank, to himself. His actions resulted in the embezzlement of more than \$870,000. Additionally, Figg generated taxable income from this activity from 2016 to 2020, but he underreported his income on his tax returns. In July 2023, Figg was sentenced to 41 months in prison and 36 months of supervised release, and he was ordered to pay approximately \$1 million in restitution.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

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DETROIT

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NORTHERN AREA



NORTHERN AREA

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NEW YORK

290 Broadway 4th Floor, Manhattan, NY 10007
NewYorkFieldOffice@ci.irs.gov

NORTHERN AREA

NEW YORK

Albany • Bethpage • Bronx • Brooklyn • Buffalo • Hauppauge
Manhattan • New Windsor • Rochester • Staten Island
Syracuse • White Plains

As the nation’s largest field office and CI’s flagship location, **THE NEW YORK FIELD OFFICE** conducts intricate financial investigations in association with the most dynamic U.S. Attorneys’ Offices in the country. To tackle the various threats affecting the taxpayers of New York, our diverse special agents and professional staff provide unparalleled financial expertise to unravel domestic and international tax evasion. In support of the CI mission, our office also investigates international and domestic terrorism finance, cybercrimes, money laundering, public corruption, COVID-19 fraud, market manipulation, corporate and securities fraud, health care fraud, mortgage fraud, bank fraud, and money laundering from international narcotics trafficking. The New York field office has four specialty groups, one dedicated to support the Joint Chiefs of Global Tax Enforcement (J5), two Strikeforce groups, and a group dedicated exclusively to cybercrimes investigations.

CEO Sentenced to 54 Months in Prison in Connection with Fraudulent Loan, Lender Applications for CARES Act Funds

Rafael Martinez participated in a scheme to submit fraudulent loan and lender applications related to the Paycheck Protection Program (PPP) administered by the U.S. Small Business Administration (SBA). Martinez fraudulently obtained SBA approval for his company, MBE Capital Partners LLC (MBE), to be a non-bank lender through the PPP, and he used MBE to collect more than \$71 million in lender fees. In addition, Martinez engaged in a scheme to obtain a PPP loan for MBE in the amount of \$283,764, by submitting false statements regarding the number of employees of MBE and the wages paid to MBE employees. He also forged the signature of MBE’s tax preparer. In July 2023, Martinez was sentenced to 54 months in prison, as well as three years of supervised release. The judge also ordered Martinez to pay \$71.71 million in restitution and to forfeit \$44.5 million, multiple properties, and luxury vehicles, including a Ferrari Model 488 Spider.

[Learn more about this case.](#)

Upstate New York Man Sentenced to More Than 20 Years for His Role in Ponzi, COVID-19 Fraud Schemes

Christopher Parris committed mail fraud related to a Ponzi scheme and wire fraud involving the fraudulent sale of purported N95 masks during the pandemic. Parris and his partner, Perry Santillo, doing business as Lucian Development, headquartered in Rochester, New York, operated an investment fraud Ponzi scheme from approximately January 2012 to June 2018. The Ponzi scheme defrauded approximately 1,000 investors out of at least \$115 million. Potential investors were offered an array of investment options to create the illusion of a diversified investment portfolio. None of those issuers had substantial bona fide business operations or used investor money in the manner and for the purposes represented to investors. Over the years, to keep the Ponzi scheme from being detected, the co-conspirators used new investor money to make promised interest and other payments to earlier investors, to pay operating expenses, and to purchase investment advisor/brokerage businesses to obtain access to fresh investors. They also used incoming investor money to finance their own lavish lifestyles, as well as the lavish lifestyles of their families and associates. Parris was sentenced in December 2022 to 244 months in prison and ordered to pay approximately \$106 million in restitution.

[Learn more about this case.](#)

Former Rochester Pawn Shop Owner Going to Prison for Selling Stolen Goods

Devin Tribunella, the owner and operator of Royal Crown Pawn and Jewelry in Rochester, New York, targeted, recruited, and used drug addicts to furnish his business with new merchandise stolen from retailers. Tribunella routinely advised on what type of merchandise to steal from retail stores, such as Lowes, Home Depot, Target, and Walmart, and then paid his team of recruits a fraction of the true retail value for the goods. Tribunella listed the stolen goods for sale on eBay, advertising the goods as “New” or “New-In-Box” and priced them below retail value. Between January 2017 and November 2019, Tribunella sold and shipped approximately \$3.2 million worth of those stolen goods to buyers located outside of New York State. Following his arrest, assets worth approximately \$3 million were seized by CI, including stolen merchandise, financial accounts, and four vehicles, including a Lamborghini, a Rolls-Royce, and a Porsche. In March 2023, Tribunella was sentenced to four years in prison.

[Learn more about this case.](#)

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NEW YORK

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NORTHERN AREA



NORTHERN AREA

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NEWARK

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NewarkFieldOffice@ci.irs.gov

NORTHERN AREA

NEW JERSEY

Cherry Hill • Edison • Freehold • Mays Landing • Paterson
Springfield • Trenton

THE NEWARK FIELD OFFICE is made up of seven posts of duty in New Jersey, a territory that covers 21 counties, including 564 municipalities comprised of 252 boroughs, 52 cities, 15 towns, 241 townships and 4 villages. New Jersey is home to more than 9,800 farms covering 790,000 acres, and the state is known as the “Garden State” because of the fruitfulness of its farmland. The dedicated agents, analysts, and professional staff in the Newark Field Office are responsible for investigating a large catalogue of potential criminal violations of the Internal Revenue Code and related financial crimes in a manner that fosters confidence in the tax system and compliance with United States tax law. The Newark Field Office investigations continue to bear fruit by holding individuals who knowingly commit tax fraud or other financial crimes accountable.

Camden County Man Sentenced to 26 Months in Prison for Tax Evasion

John Ryan worked as an independent financial planner, helping to broker sales between clients and various financial businesses. One of these businesses engaged Ryan as a financial contractor to receive client funds on behalf of the business and to operate and control one of its financial accounts. Ryan attempted to evade payment of his federal income taxes by converting the business and client funds in that account for his own personal use. By using the business account funds to satisfy his personal expenses without the involvement of his personal bank accounts, Ryan was able to conceal his additional personal income. Ryan then purposely failed to report the income he received by skimming cash from the account, evading more than \$1 million in federal taxes. Ryan was sentenced to over two years in prison and ordered to pay restitution of nearly \$1.1 million.

[Learn more about this case.](#)

Two Firefighters’ Multimillion Dollar Health Care Fraud

Two New Jersey firefighters, Thomas Sher and Christopher Broccoli, were part of a criminal conspiracy in which state and local government employees were recruited and compensated to receive medically unnecessary compound prescription medications. Sher and his direct conspirators recruited almost 70 people into the scheme and caused the pharmacy benefits administrator to pay out more than \$7 million for medically unnecessary compound prescription medications. Sher directly received approximately \$115,000 from the scheme.

Broccoli caused the pharmacy benefits administrator to pay out millions of dollars for medically unnecessary compound prescription medications for individuals he recruited into the scheme and directly received \$150,315. To date, 50 people have been charged in the overarching conspiracy, and 46 defendants have pleaded guilty or been convicted at trial. In July 2023, Sher and Broccoli were sentenced to 96 months and 24 months in prison, respectively.

[Learn more about this case.](#)

New Jersey Businessman Fraudulently Obtained \$1.8 Million in COVID-19 Loans

New Jersey businessman Rocco A. Malanga fraudulently obtained nearly \$1.8 million in federal Paycheck Protection Program (PPP) loans. From April through August 2020, Malanga submitted false documentation to three lenders to fraudulently obtain approximately \$1.8 million in federal COVID-19 emergency relief funds meant for distressed small businesses. He submitted at least three PPP loan applications on behalf of three different business entities in which he fabricated the number of employees employed by each business entity and their average monthly payroll. Malanga then diverted some of the proceeds from the loans to fund a business that did not receive PPP loan funds. In March 2023, Malanga was sentenced to three years in prison and three years of supervised release. He was also ordered to pay \$1.8 million in restitution and to forfeit \$1.8 million he generated from the scheme.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

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NEWARK

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NORTHERN AREA



NORTHERN AREA

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PHILADELPHIA

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NORTHERN AREA

DELAWARE

Newark

PENNSYLVANIA

Bethlehem • Cranberry Township • Erie • Harrisburg
King of Prussia • Philadelphia • Pittsburgh • Scranton

THE PHILADELPHIA FIELD OFFICE covers the commonwealth of Pennsylvania and the state of Delaware. The Special Agent in Charge sits in the city of Philadelphia, home to several historical sites, such as the Liberty Bell, Declaration House, and the Rocky Statue. With nine posts of duty, the field office serves a broad geographic area. Within its area of responsibility, the field office serves four judicial districts, each with its own U.S. Attorney’s Office. The Philadelphia Field Office works in partnership with all major federal law enforcement agencies, as well as numerous state and local law enforcement departments. We work a diverse mix of criminal investigations that include income tax evasion, employment tax, corporate fraud, international tax fraud, return preparer fraud, ID theft, cybercrimes, public corruption, counterterrorism, and narcotics related financial crimes. The field office holds pivotal roles on the respective U.S. Attorney’s priority task forces, including SAR review teams, health care fraud, cybercrimes, JTTF, and OCDETF.

Biggest Cocaine Trafficker in Delaware Sentenced to 45 Years

Between 2009 and 2017, Omar Colon and his wife laundered over \$1 million in drug money by purchasing real estate in Delaware and Pennsylvania, using their company, Zemi Property Management. They deposited drug money into multiple bank accounts and asked friends and family members to do the same. Colon and Martinez then used those funds to buy cashier’s checks that funded the property purchases. In November 2022, Omar Colon was sentenced to 45 years in prison for conspiracy to commit money laundering, conspiracy to distribute cocaine, and various other drug and money laundering offenses.

[Learn more about this case.](#)

YouTube Star “Omi in a Hellcat” Sentenced to 66 Months in Prison, Ordered to Pay More than \$5 Million in Restitution to the IRS

Bill Omar Carrasquillo, known on YouTube as “Omi in a Hellcat,” and his co-defendants used legitimate cable subscriptions from companies like Verizon, DirecTV, and Comcast to access content. He then stripped the video content of copyright protections to stream it online on servers he and his co-conspirators controlled. Customers simply had to pay a monthly \$15 fee to subscribe to the illegal streaming services, which showcased sporting events, television shows, and movies. In March 2023, Carrasquillo was sentenced to 66 months in prison and ordered to forfeit \$30 million and to pay more than \$15 million in restitution, including more than \$5 million to the IRS.

[Learn more about this case.](#)

Pennsylvania Man Sentenced to 6 ½ Years for PPP Fraud, Money Laundering

Randy Frasinelli filed six fraudulent applications for loans from the Paycheck Protection Program (PPP), falsely asserting that he had businesses with dozens of employees and hundreds of thousands of dollars in monthly payroll. After receiving more than \$3.8 million from those loans, Frasinelli spent the money on luxury items, including vehicles, a villa in Mexico, an African safari, firearms, works of art, precious metals, watches, and personal investments, rather than spending the funds for legitimate business expenses. In March 2023, Frasinelli was sentenced to 78 months in prison, followed by five years of supervised release, for bank fraud and money laundering. He was also ordered to pay nearly \$3.9 million in restitution.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

SOUTHERN AREA

U.S. Virgin Islands



PHILADELPHIA

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NORTHERN AREA



Philadelphia Field Office special agents assist in a manhunt for a high-profile escaped prisoner in Pennsylvania.



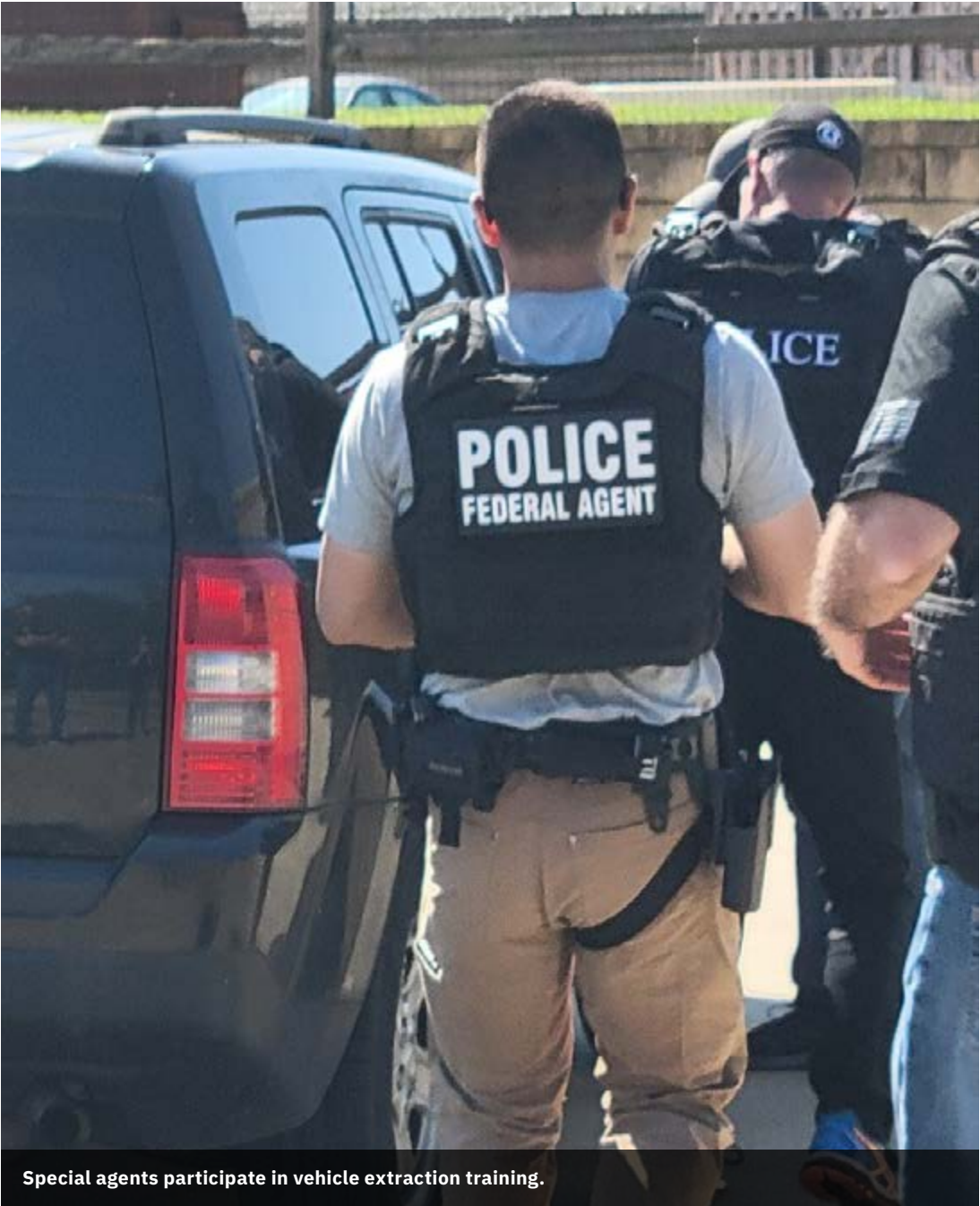
Special agents participate in building entry training.



Members of the Philadelphia Field Office host an International Economic Crime Summit in Philadelphia.



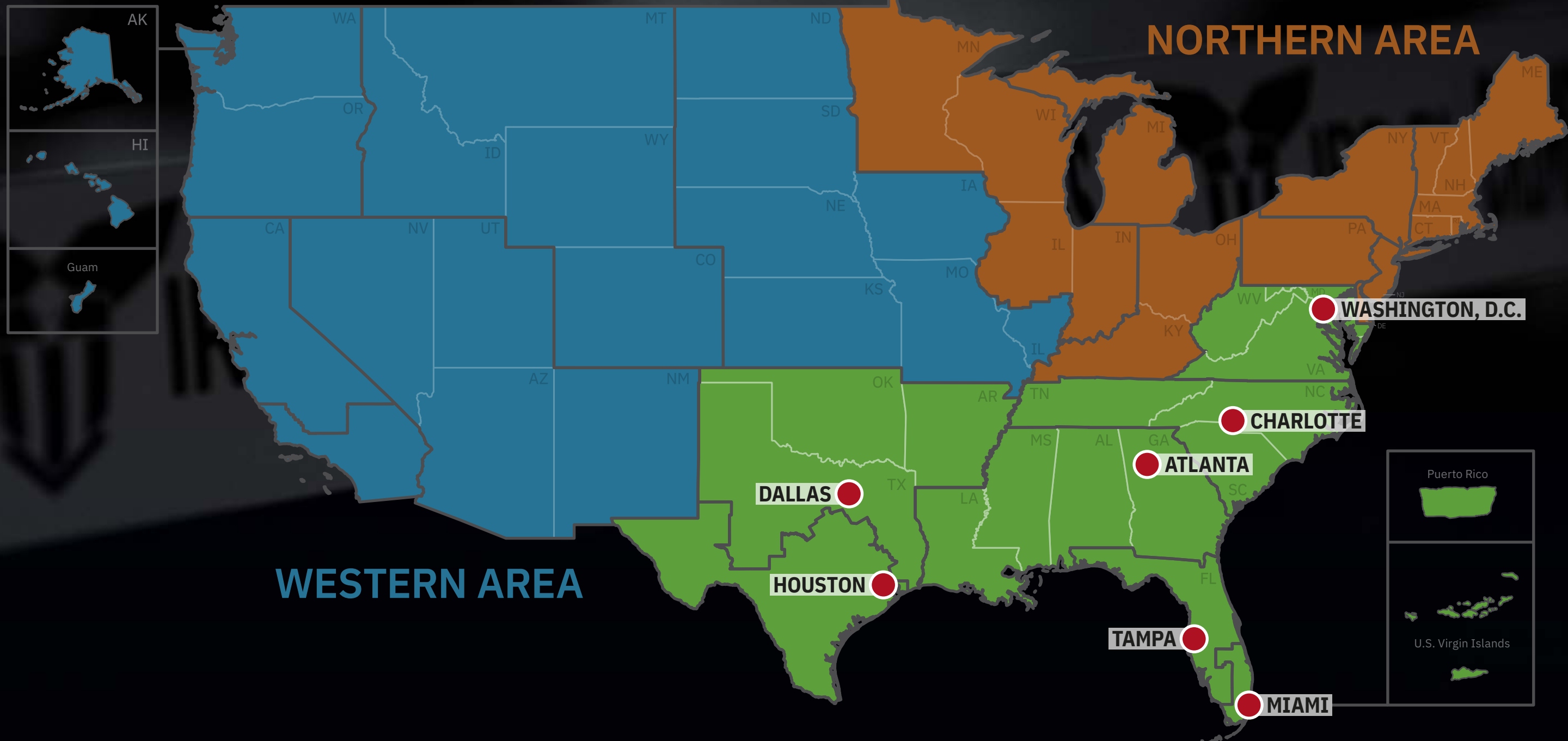
Philadelphia Field Office's Acting ASAC attends the U.S. Attorney's Office Public Safety and Community Engagement Conference.



Special agents participate in vehicle extraction training.

SOUTHERN AREA

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SOUTHERN AREA

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ATLANTA

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SOUTHERN AREA

ALABAMA
Huntsville • Mobile • Montgomery • Birmingham

GEORGIA
Atlanta • Augusta • Columbus • Decatur • Macon • Savannah

LOUISIANA
Baton Rouge • Lafayette • New Orleans • Shreveport

MISSISSIPPI
Gulfport • Hattiesburg • Jackson • Oxford

THE ATLANTA FIELD OFFICE encompasses four states: Georgia, Louisiana, Mississippi, and Alabama. The territory includes two of the most popular destinations in the southeast, Atlanta and New Orleans, which are known for their vibrant culture, outstanding cuisine, and world-renowned chefs. The field office is also home to some of the best beaches along the Gulf Coast in Mississippi and Alabama. The Atlanta Field Office offers meaningful investigative work in many areas, such as corporate fraud, political corruption, OCEDTF, counterintelligence and terrorism funding, and QRP/RPP. The field office is continually building and strengthening its relationships with our law enforcement partners, the U.S. Attorney’s Office, and the public, to identify, investigate, and refer quality cases for prosecution.

Television Personalities Sentenced for Bank Fraud, Tax Evasion

While earning millions of dollars from their reality television program, “Chrisley Knows Best,” Todd and Julie Chrisley also held leading roles in a tax evasion and bank fraud scheme. For the tax years 2013 through 2016, they failed to file tax returns or pay taxes. They also obtained more than \$20 million in fraudulent loans, which they procured using bank statements, audit reports, and personal statements. The Chrisleys spent the money they fraudulently obtained on luxury cars, designer clothes, real estate, and travel. They then took out new loans to pay off older ones to perpetuate the scheme, eventually filing for bankruptcy after fraudulently obtaining more than \$20 million. In November 2022, Todd was sentenced to 12 years in prison, while Julie was sentenced to seven years for her part in the conspiracy. The Chrisleys’ accountant, Peter Tarantino, was also sentenced to three years in prison for his role in the conspiracy.

[Learn more about this case.](#)

Alabama Man Nets Prison Time for Misusing Non-Profit Funds, Other Frauds

Alabama resident Kenneth Glasgow solicited donations for The Ordinary Peoples Society (TOPS) and Prodigal Child Project (PCP) from other non-profits and foundations, claiming the funds would be used for charitable purposes. From 2016 to 2019, Glasgow withdrew a total of \$1.3 million in cash from TOPS and PCP, but he never accounted for that money on the non-profits’ IRS forms or on any of his personal tax returns. Additionally, Glasgow mailed documents containing false statements to the Social Security Administration so that he could continue receiving Social Security disability benefits and related health benefits from Medicare and Medicaid programs. He falsely claimed that he had limited physical abilities that prevented him from conducting daily activities, despite reporting that he worked 50 to 60 hours per week for his non-profits on the non-profits’ IRS forms. He was also convicted of conspiring with a defendant to possess cocaine with intent to distribute. In July 2023, Glasgow was sentenced to 30 months in prison for tax evasion, mail fraud, and drug conspiracy charges. He was also ordered to pay \$376,720 in restitution to the IRS.

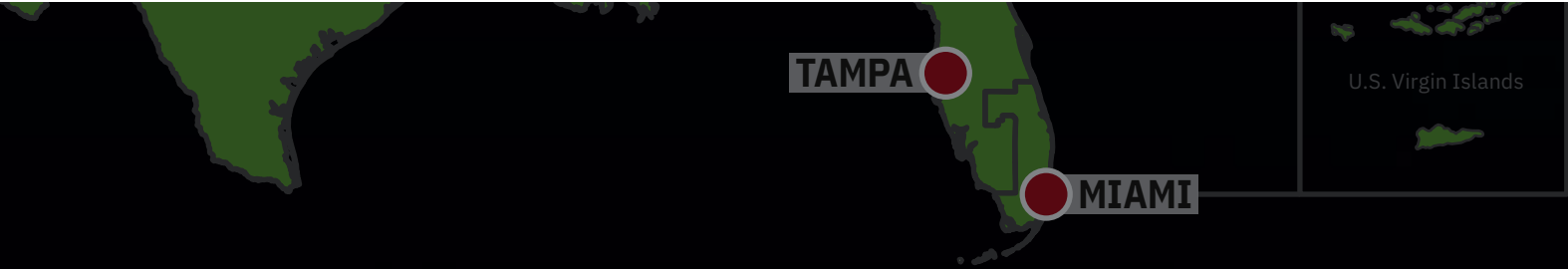
[Learn more about this case.](#)

\$4.5 Million COVID-19 Fraud Scheme Results in Jail Time for Georgia Man

The 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act provided more than \$650 billion for qualifying small businesses facing financial challenges during the COVID-19 pandemic, with grants and forgivable loans available through the Paycheck Protection Plan (PPP) and Economic Injury Disaster Loans (EIDL). Kamario Thomas abused the CARES Act by submitting fraudulent EIDL applications for himself and others, which resulted in the disbursement of more than \$4.5 million in fraudulent CARES Act loans and grants. To complete the fraudulent applications, Thomas fabricated IRS forms and tax records. In return for the applications filed for others, Thomas received hundreds of thousands of dollars in kickbacks. In June 2023, Thomas was sentenced to 38 months in prison and ordered to pay more than \$4.5 million in restitution to the U.S. Small Business Administration.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)



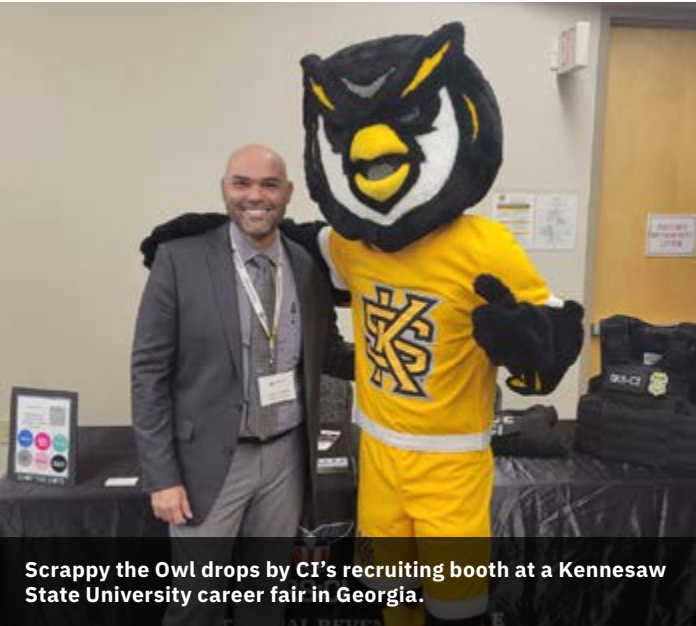
ATLANTA

401 W. Peachtree Street NW, Atlanta, GA 30308
AtlantaFieldOffice@ci.irs.gov

SOUTHERN AREA



Atlanta Field Office members present what it's like to be a special agent to Grantswood Community Elementary students during the school's Title I summer program.



Scrappy the Owl drops by CI's recruiting booth at a Kennesaw State University career fair in Georgia.



Atlanta Field Office hosts a Citizen Academy at Auburn University in Alabama to provide more than 25 students hands-on experience of being a CI special agent.



Atlanta Field Office Special Agents deliver Financial Force Multiplier Training to approximately 50 state and local investigators from multiple agencies.



Members of the Atlanta Field Office attend an annual office training.

SOUTHERN AREA

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CHARLOTTE

10715 David Taylor Drive, Charlotte, NC 28262
CharlotteFieldOffice@ci.irs.gov

SOUTHERN AREA

NORTH CAROLINA

Charlotte • Greensboro • Raleigh • Wilmington

SOUTH CAROLINA

Charleston • Columbia • Greenville • Myrtle Beach

TENNESSEE

Chattanooga • Jackson • Johnson City • Knoxville
Memphis • Nashville

THE CHARLOTTE FIELD OFFICE covers three states, spanning from the Great Smoky Mountains of North Carolina and the music filled state of Tennessee to the beaches of South Carolina. The field office covers seven judicial districts and has excellent partnerships both internally and externally. The field office works a diverse mix of cases throughout the three states, including general tax fraud, employment tax fraud, healthcare fraud, refund fraud, terrorist financing, public corruption, and OCDETF.

Two North Carolina Tax Preparers Sentenced to Prison for \$5.2 Million Tax Conspiracy

From 2009 through 2018, North Carolina tax preparers Betty Hawkins and Phyllis Ricks conspired with others to file false tax returns for clients of the tax preparation businesses where they worked. The false returns included fictitious federal income tax withholdings, as well as other fraudulent items that generated fraudulent refunds for the clients. In total, Hawkins, Ricks, and their co-conspirators caused more than 1,000 false tax returns to be filed with the IRS, which claimed a total of \$5.2 million in fraudulent refunds. In January 2023, Ricks was sentenced to three years in prison and Hawkins was sentenced to two years in prison for their role in preparing the false tax returns. In addition to the term of imprisonment, both women were ordered to serve three years of supervised release and pay approximately \$5.2 million in restitution to the United States.

[Learn more about this case.](#)

North Carolina CFO Sentenced to 18 Months in Prison in Multimillion Tax Fraud Case

As early as 2012, Christopher Scott Harrison began to spend company funds for his own benefit, including the purchase of a \$145,000 watch and a \$300,000 swimming pool at his personal residence. As these expenditures came to light, Harrison filed for Chapter 11 bankruptcy. During his bankruptcy proceedings, an accounting firm retained by the bankruptcy trustee discovered almost \$25 million of Harrison’s personal expenditures that were reported as business expenses between tax years 2012 and 2018. Harrison filed false personal returns failing to report the additional income, which led to almost \$6 million in uncollected federal income taxes. In June 2023, Harrison was sentenced to 18 months in prison, followed by one year of supervised release to include home confinement, for tax fraud. He was also ordered to pay more than \$4.6 million in restitution.

[Learn more about this case.](#)

Myrtle Beach Woman Went to Prison for COVID-19 Fraud

In 2020, Janice A. Livingston formed businesses solely to take advantage of various COVID-19 credits, knowingly and willfully causing fraudulent claims to be filed with the IRS and the Small Business Administration (SBA). In an attempt to illegally obtain money, she fraudulently filed or transmitted Forms 7200 and 941, requesting refunds of \$1.1 million. Livingston also used her newly formed businesses to submit two fraudulent Economic Impact Disaster Loan (EIDL) applications to obtain \$158,800 in loans and grants. She then conducted financial transactions involving the EIDL proceeds to conceal the source of the funds and used them for personal expenses, including the purchase of a new home. In June 2023, she was sentenced to 20 months in prison, followed by three years supervised release. She was also ordered to pay \$183,406 in restitution.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

WESTERN AREA



CHARLOTTE

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SOUTHERN AREA



Charlotte Field Office members attend an annual office training.



Birdseye view of special agents conducting training at the firearms range.



Special agents conduct use of force training.



Charlotte Field Office members participate in a recruiting event.



Members of the Charlotte Field office volunteer with Habitat for Humanity.

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THE DALLAS FIELD OFFICE covers a broad geographic area that includes Northern and Eastern Texas and the entire states of Oklahoma and Arkansas. Serving seven judicial districts in the “Lone Star State”, the “Sooner State”, and the “Natural State”, the Dallas Field Office is comprised of hard working special agents and professional staff who investigate an array of complex and impactful cases, including tax fraud, general fraud, cybercrimes, identity theft, public and political corruption, narcotics, and terrorism. The Dallas Field Office has excellent working relationships with the U.S. Attorney’s Office and other law enforcement partners. Special agents are essential members of several priority task forces, including OCDETF, HIDTA, FCTF, and JTTF.

\$134 Million Health Care Fraud, Money Laundering Scheme Leads to 15-Year Prison Sentence

Billy Joe Taylor and his co-conspirators submitted more than \$134 million in false and fraudulent claims to Medicare in connection with diagnostic laboratory testing, including urine drug testing and tests for respiratory illnesses during the COVID-19 pandemic, which were medically unnecessary, not ordered by medical providers, and not provided as represented. Taylor and his co-conspirators obtained medical information and private personal information for Medicare beneficiaries and then misused that confidential information to repeatedly submit claims to Medicare for diagnostic tests. According to court documents, Taylor and his co-conspirators received more than \$38 million from Medicare on those fraudulent claims. In June 2023, Taylor was sentenced to 15 years in prison followed by three years of supervised release and was ordered to pay \$29.8 million in restitution for conspiracy to commit health care fraud and money laundering.

[Learn more about this case.](#)

Texas Man Sentenced to 15 Years in Prison for \$4 Million COVID-19 Fraud Scheme

Andrew Travis Johnson fraudulently applied for and obtained 27 Paycheck Protection Program (PPP) loans totaling almost \$4 million. He admitted he applied for loans on behalf of three entities: an actual business that provided contract speech and occupational therapy services, an actual non-profit that organized community fundraisers for individuals with intellectual limitations, and a fictitious entity that never provided goods or services of any kind and had no employees. He pleaded guilty in March 2023 to three counts of bank fraud, one count of aggravated identity theft, and one count of engaging in monetary transactions in property derived from unlawful activity. In August 2023, Johnson was sentenced to 15 years in prison. He was also ordered to pay \$4.15 million in restitution and forfeit numerous assets, including multiple luxury cars.

[Learn more about this case.](#)

Haskell County Residents Sentenced for Drug Conspiracy and Money Laundering

Early Woodmore III and Calvin Woodmore led a methamphetamine trafficking organization where they arranged to have large quantities of methamphetamine shipped to addresses in Oklahoma. Once the packages of methamphetamine arrived, the Woodmores broke them down into smaller quantities for distribution into communities in the Eastern District of Oklahoma. In the course of their trafficking, Early Woodmore III acted as an enforcer, retaliating with acts of violence against individuals suspected of cooperating with law enforcement. Calvin Woodmore was sentenced to 27 years in prison for drug conspiracy and 20 years in prison for money laundering conspiracy and laundering monetary instruments. Early Woodmore III was sentenced to life imprisonment for drug conspiracy and distribution of methamphetamine and 20 years in prison for money laundering conspiracy and laundering monetary instruments. The Woodmores’ sentences will run concurrently.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)

WESTERN AREA

HOUSTON

TAMPA

MIAMI

U.S. Virgin Islands



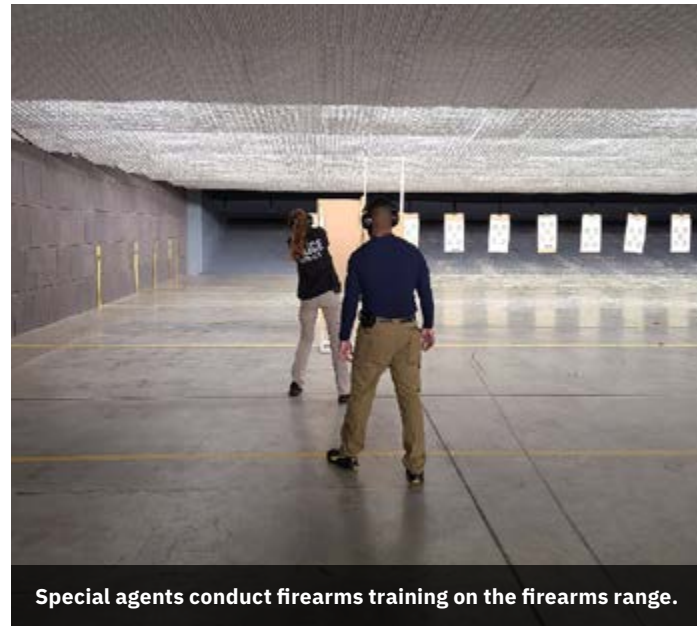
DALLAS

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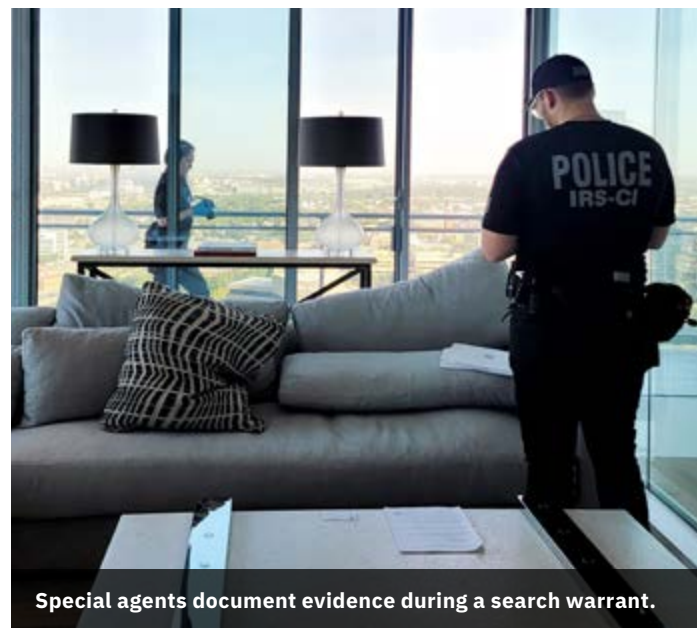
SOUTHERN AREA



Special agents execute a search warrant as part of an ongoing investigation.



Special agents conduct firearms training on the firearms range.



Special agents document evidence during a search warrant.



Students participate in a Citizen Academy with Dallas Field Office members.



Director of Field Operations for Southern Area addresses the Dallas Field Office.

SOUTHERN AREA

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The boundaries of **THE HOUSTON FIELD OFFICE** include some of Texas’ most bountiful treasures: NASA’s Johnson Space Center, the iconic Alamo, the state capitol in Austin, the southwestern living of El Paso, and the Gulf Coast beaches. The Houston Field Office also encompasses unique and culturally diverse locations, including the Rio Grande Valley along the Mexican border, the coastline of Corpus Christi, the Central Texas hub of Waco, and the oil producing communities in the Permian Basin. The sprawling urban area and ports add to the complexity of work in the field office, which is rich with Fortune 500 headquarters and has the largest concentration of healthcare and research institutions. The Houston Field Office is among the leaders in complex federal investigations with national and international impact and is one of the most successful when it comes to stopping criminal financial activities. The field office participates in federal task forces, including South Texas money laundering, JTTF, OCDETF, HIDTA, public corruption, human trafficking, Paycheck Protection Program, and healthcare fraud. Partnerships with the U.S. Attorney’s Offices in the Western and Southern districts of Texas are critical, as is the interagency work done with other federal, state, and local law enforcement agencies.

Former Mexican Governor and Presidential Candidate Gets Prison for Money Laundering

The former governor of Tamaulipas, Mexico, Tomas Yarrington Ruvalcaba, accepted over \$3.5 million in illegal bribe money and used it to fraudulently purchase property in the United States. While serving as governor from 1999 to 2005, Yarrington accepted bribes from individuals and private companies in Mexico to do business with the state of Tamaulipas. He laundered his illegally obtained bribe money in the U.S. by purchasing beachfront condominiums, large estates, commercial developments, airplanes, and luxury vehicles. Yarrington was sentenced to nine years in prison for his crimes and had to forfeit his Port Isabel condominium. Yarrington, who is not a U.S. citizen, is expected to face removal proceedings following his imprisonment.

[Learn more about this case.](#)

Not Cleared for Takeoff: Big Prison Time in \$100 Million Air Force Bribery Scheme

Keith Alan Seguin, of San Antonio, Texas, was a civilian government employee authorized by the U.S. Air Force to solicit and accept orders for flight simulator technology and support and to promote and manage related contracts. As part of a scheme that spanned more than 10 years, Seguin conspired with others who paid him more than \$2.3 million in cash and bribes for \$100 million in work on Air Force projects. Seguin was sentenced to more than 15 years in prison for wire fraud and tax fraud. In addition to his prison sentence, he was ordered to pay more than \$736,000 in restitution to the IRS and nearly \$39 million in restitution to the U.S. Air Force, U.S. Army, and General Services Administration. He must also forfeit over \$2 million he received in bribe money.

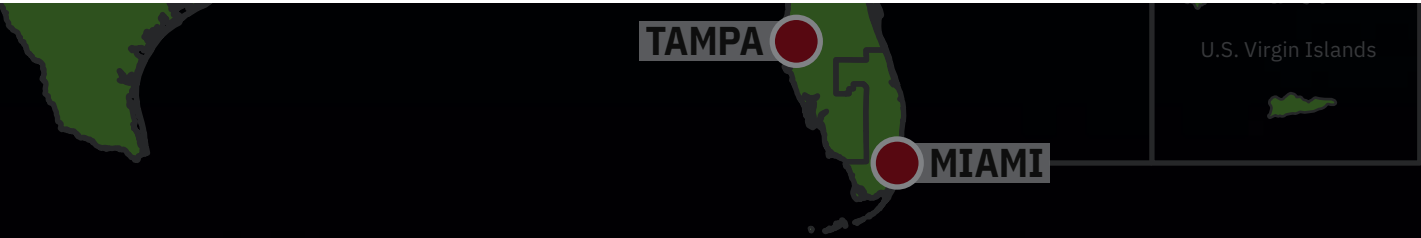
[Learn more about this case.](#)

Prison Honeymoon for Fraudster Responsible for More than 500 Sham Marriages

Ashley Yen Nguyen, of Houston, served as the ringleader of well over 500 sham marriages to help people immigrate to the United States. Nguyen used mass-marketing to facilitate the scheme by advertising it through recruiters and Facebook. To make the scheme appear legitimate, Nguyen claimed to be an attorney who had contacts within U.S. Citizenship and Immigration Services. She used well over a dozen recruiters of U.S. citizen spouses in the Houston vicinity and advertised via social media about the scheme in Vietnam. Many of the U.S. citizens had extensive criminal histories, gang associations, and crippling drug additions. Nguyen herself also entered the U.S. through a sham marriage. The criminal organization has received more than \$15 million from this scheme. Nguyen was sentenced in October 2022 to 10 years in prison and ordered to pay more than \$334,000 in fines for her crimes.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)



HOUSTON

8701 S. Gessner, Houston, TX 77074
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PUERTO RICO
Guaynabo

U.S. VIRGIN ISLANDS
St. Thomas

THE MIAMI FIELD OFFICE covers the Southern Judicial District of Florida and the Judicial Districts of Puerto Rico and the U.S. Virgin Islands. The Southern Judicial District of Florida includes the counties of Miami Dade, Broward, Monroe, Palm Beach, Martin, St. Lucie, Indian River, Okeechobee, and Highlands. Greater Miami, the state’s largest urban concentration, includes the “Magic City” of Miami, Miami Beach, and many smaller municipalities and unincorporated areas. Together, these areas make up the southern section of Florida’s “Gold Coast.” Last year’s investigations were highlighted by a myriad of criminal cases in tax law, identity theft, return preparer fraud, money laundering, healthcare fraud, and political and public corruption. We participate on task forces, including OCDETF and other priority task forces at the U.S. Attorney’s Offices, including identity theft, financial crimes, health care fraud, and disaster fraud.

Florida Man Sentenced to 84 Months in Federal Prison for Defrauding Paycheck Protection Program

Luke Joselin sought nearly \$2 million in fraudulent Paycheck Protection Program (PPP) loans under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Joselin, together with his co-conspirators, Judlex Jean Louis and Renaldo Harrison, flooded online loan processors with multiple fraudulent PPP loan applications. They used increasingly brazen tactics and sought more and more money as the scheme progressed. Joselin first applied for and received smaller PPP loans by using a nonexistent sole proprietorship and fake social security numbers. He then coached Harrison and Jean Louis on how to do the same, including submitting PPP loans of people whose identities they stole. After obtaining the smaller-dollar PPP loans, Joselin, Harrison, and Jean Louis began submitting PPP loan applications worth around \$180,000 for companies they controlled. These larger-dollar applications were typically for companies that had no real operations. The applications were supported by fake tax forms, including one form that Joselin, Harrison, and Jean Louis recycled in multiple applications, changing only the company name. Joselin was convicted of conspiracy to commit wire fraud, nine counts of wire fraud, and one count of aggravated identity theft. In November 2022, Joselin was sentenced to 84 months in prison and three years of supervised release. A federal judge also ordered him to pay \$812,857 in restitution.

[Learn more about this case.](#)

Drug Trafficker Sentenced to 15 Years in Prison, 8 Years of Supervised Release

Vladimir Natera-Abreu was one of the main leaders in the drug trafficking organization known as Las Fuerzas Armadas Revolucionarias de Cantera (Las FARC). Natera-Abreu pleaded guilty to conspiracy with intent to distribute crack, heroin, cocaine, marijuana, Oxycodone (commonly known as Percocet), and Alprazolam (commonly known as Xanax). The distributions occurred within 1,000 feet of Villa Kennedy, Las Casas, El Mirador, and Las Margaritas Public Housing Projects and within 1,000 feet of schools and playgrounds located in the Municipality of San Juan, Puerto Rico. The object of the conspiracy was the large-scale distribution of controlled substances for significant financial gain and profit. Natera-Abreu agreed to forfeit to the United States any drug proceeds or substitute assets derived from proceeds generated or traceable to the drug trafficking offense, to include nearly \$76 million in U.S. currency and various real estate properties. In November 2022, Natera-Abreu was sentenced to 15 years in prison for drug trafficking.

[Learn more about this case.](#)

Operators of Key West Labor Staffing Companies Ordered to Pay Over \$15 Million in Restitution, Sentenced for Immigration, Employment Tax Fraud

The operators of several Key West, Florida, labor staffing companies, including PSEB Services JD Inc., Paradise Hospitality Solutions LLC, Paradise Hospitality Group LLC, Paradise Hospitality Inc., and HBSM Corp. committed several tax and immigration-related crimes. Eka Samadashvili, Davit Pavliashvili, Oleksandr Morgunov, and others helped run a series of labor staffing companies that facilitated the employment of non-resident aliens in hotels, bars, and restaurants in Key West and elsewhere. These individuals were not authorized to work in the United States. As a result, the labor staffing companies did not withhold federal income, Social Security, and Medicare taxes from workers’ wages, and they did not report said wages to the IRS. In July 2023, Morgunov was sentenced to 96 months in prison, Samadashvili was sentenced to 36 months in prison, and Pavliashvili was sentenced to 18 months in prison. In addition to the term of imprisonment, a federal judge ordered Samadashvili to serve three years of supervised release and to pay approximately \$8.5 million in restitution to the United States and ordered Morgunov to serve three years of supervised release and pay nearly \$8 million in restitution to the United States.

[Learn more about this case.](#)

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SOUTHERN AREA



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THE TAMPA FIELD OFFICE is nestled between the east and west coasts of the Sunshine State. Covering both Florida’s Middle and Northern Judicial Districts, the field office is home to nine posts of duty that stretch from Ft. Myers to Jacksonville and across the panhandle to Pensacola. Special agents in this office embrace traditional tax cases, as well as a multitude of financial crimes cases ranging from money laundering to public corruption. The Tampa Field Office benefits from well-established partnerships with other law enforcement agencies and has excellent working relationships with the U.S. Attorneys’ Offices for the Middle and Northern Districts of Florida.

Georgia Man Sentenced to 14 Years in Prison for Submitting More Than \$2.9 Billion Dollars in False Tax Claims to the IRS

David O. Isagba submitted 227 fraudulent claims to the IRS over a ten-year span in a flagrant and massive scheme to defraud the government. Isagba falsely claimed he was entitled to more than \$2.9 billion in tax refunds on behalf of nonexistent trusts. As a result of the fraud scheme, he subsequently received more than \$5.8 million from the IRS. Isagba spent the ill-gotten gains to purchase a home, multiple luxury vehicles, and other items. Isagba was sentenced to 14 years in prison for mail fraud and conspiring to defraud the United States with respect to tax claims. This sentence was imposed consecutively to Isagba’s 2022 conviction for possession of child pornography.

[Learn more about this case.](#)

Cape Coral Caretakers Sentenced for Stealing Over Half a Million Dollars from Elderly Victim

Diane Durbon and her daughter, Brittany Lukasik, a registered nurse, were hired as caretakers for a 92-year-old. In October 2017, Durbon began unlawfully accessing the victim’s investment accounts and depositing the funds into Lukasik’s accounts. Between January 2019 and March 2020, they stole approximately \$542,700. Lukasik and Durbon used the funds to pay off debt and make a variety of purchases, including buying a vehicle, paying off a car loan, and paying student loan debt and credit card balances. Lukasik and Durbon also used the funds to purchase a duplex in Cape Coral, and more than \$100,000 of the fraudulently obtained proceeds was used to buy electronics and furniture and to remodel the duplex. Durbon was sentenced to ten years in prison, and Lukasik was sentenced to two years in prison. The pair were also ordered to forfeit their Cape Coral residence, two vehicles, and approximately \$542,760.

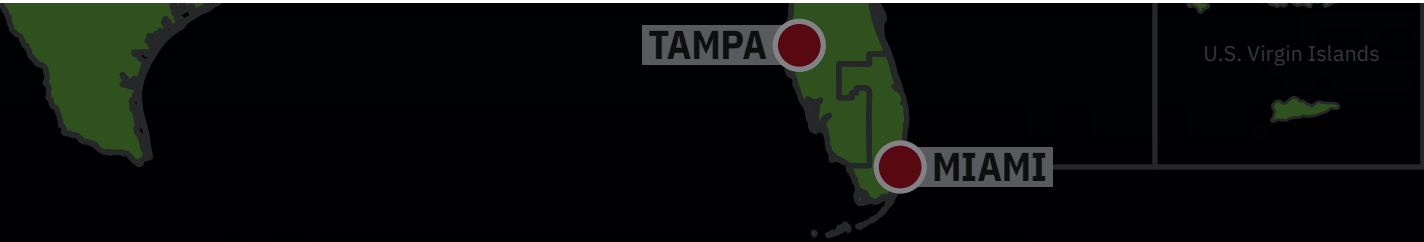
[Learn more about this case.](#)

St. Petersburg Man Returned to Prison for Orchestrating Multimillion Dollar Fraud Scheme While on Supervised Release

In 2016, Matthew Walker Meredith was sentenced to three years in prison for conspiracy and possession with intent to distribute ethylone, also known as “Molly.” After serving time for that crime, Meredith was released from prison and started serving a term of supervised release. While on supervised release, Meredith began submitting fraudulent claims for tax refunds to the IRS in the names of entities under his control. In just six months, Meredith submitted five claims to the IRS seeking in excess of \$170 million. Each claim was false and fraudulent, since Meredith falsified both his income and withholdings. Based on the claims, the IRS issued Meredith a refund check exceeding \$6 million. Meredith quickly deposited the funds into his bank account and used the fraudulently obtained money to purchase luxury vehicles and a waterfront home. In one week, he purchased six new Mercedes Benz vehicles, totaling \$843,269. Meredith was sentenced to six years in prison for theft of government money and money laundering. As part of his sentence, the Court also entered an order forfeiting real property, six Mercedes Benz vehicles, and \$6.3 million, which represent the proceeds of the charged criminal conduct.

[Learn more about this case.](#)

 [View FO Photo Gallery](#)



TAMPA

SOUTHERN AREA

9450 Koger Boulevard, St. Petersburg, FL 33702
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The Tampa Field Office Special Agent in Charge stands with the Florida U.S. Attorney announcing a major OCDETF investigation.



Special agent at a recruiting event.



Special agents participate in low light firearm training.



Special agents conduct firearm training.



Special agents participate in the 2023 Law Enforcement Torch Run to support Special Olympics.

WASHINGTON DC

1200 First Street NE, Washington, DC 20002
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THE WASHINGTON DC FIELD OFFICE is an executive led field office and one of the largest in CI, overseeing criminal financial investigations throughout Maryland, Virginia, West Virginia, and the District of Columbia. Serving six judicial districts, the field office is comprised of dedicated professional staff and special agents who work a wide array of significant investigations. The diverse geographical coverage from the Appalachian Mountains to the Chesapeake Bay allows the field office the opportunity to work the entire spectrum of financial investigations, including legal source tax cases, public corruption, corporate fraud, narcotics, and health care fraud. In addition to the regional groups, the WDCFO houses CI’s specialty groups: the DC Cyber Crimes Unit (CCU), the International Tax and Financial Crimes (ITFC) group, the Global Illicit Financial Team (GIFT), and the U.S. Treasury Alcohol and Tobacco Tax and Trade Bureau Group (TTB). These specialty groups focus on national and international financial crimes and are a beacon of investigative talent for dozens of special agents across the country.

Defendants Sentenced for Multimillion Dollar Schemes Involving Preparing False Tax Returns for Professional Athletes and PPP Loan Fraud

Thanh Rudin, Quin Ngoc Rudin (a convicted felon), Seir Havana, and other co-conspirators, engaged in two fraud schemes using their tax preparation business, Mana Tax Services. The conspirators prepared and filed false returns on behalf of at least nine professional athletes. The returns reported fictitious business and personal losses to generate false refunds. Mana Tax charged the athletes a fee of 30% of the resulting refund. The tax fraud scheme caused a total tax loss of more than \$19 million.

The conspirators also prepared and submitted false PPP loan applications on behalf of small businesses, shell companies, and other business entities they controlled. They submitted fabricated tax returns and grossly inflated the number of employees and monthly payroll costs. As a result of this investigation, the government seized more than \$11.8 million from bank accounts containing PPP loan fraud proceeds. In addition, Havana surrendered cashier’s checks worth approximately \$5.6 million. The two schemes resulted in total losses of more than \$44 million. Havana was sentenced to 42 months in prison, Thanh Rudin was sentenced to 34 months in prison, and Quin Ngoc Rudin was sentenced to 10 years in prison for their roles in the scheme.

[Learn more about this case.](#)

Man Sentenced for Stealing Over 712 Bitcoin Subject to Forfeiture

Gary James Harmon perpetrated a scheme to steal cryptocurrency that was the subject of pending criminal forfeiture proceedings against his brother, Larry Dean Harmon. Previously, Larry Harmon was arrested for his operation of Helix, a Darknet-based cryptocurrency money laundering service, known as a “mixer” or “tumbler.” Helix laundered over 350,000 bitcoin, valued at over \$300 million at the time of the transactions, on behalf of customers, with the largest volume coming from Darknet markets. Law enforcement seized various assets, including a cryptocurrency storage device, but the bitcoin could not initially be recovered due to the device’s additional security features. To keep law enforcement from seizing the bitcoin, Gary Harmon stole the funds by using his brother’s credentials to recreate the bitcoin wallets and covertly transferring more than 712 bitcoin to his own wallets. The bitcoin was valued at approximately \$4.8 million at the time of the transfers. He then further laundered the proceeds through two online bitcoin mixer services before using the laundered bitcoin to finance large purchases and other expenditures.

Gary Harmon agreed to the forfeiture of cryptocurrencies and other properties derived from the fraudulently taken proceeds. Due to the increase in market prices, the total value of these forfeitable properties exceeds \$12 million. Harmon was sentenced to 51 months in prison and ordered to pay a forfeiture money judgment of \$4.8 million. Harmon will also forfeit specific properties including cryptocurrencies that are now valued in excess of \$20 million due to the increase in market prices.

[Learn more about this case.](#)

Ringleader and Key Co-Defendant Sentenced to Prison for Leading Firearms Trafficking Conspiracy

Bisheem Jones, also known as “Bosh,” led a scheme to traffic over 140 firearms from southern West Virginia to Philadelphia. Over 50 of these firearms were recovered at crime scenes primarily in Philadelphia. The weapons were connected to two homicides, crimes of domestic violence, and other violent offenses. Jones recruited straw purchasers in the Beckley, West Virginia, area to buy the firearms that Jones and his co-conspirators took back to Philadelphia to sell for profit. Jones selected the firearms and provided money or drugs to straw buyers to purchase them. Jones engaged in a variety of financial transactions to promote the firearms trafficking enterprise, including using peer-to-peer payment apps and his bank account to transfer money. In September 2023, Jones was sentenced to 25 years in prison.

[Learn more about this case.](#)

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WASHINGTON, DC

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SOUTHERN AREA



Washington DC Field Office Special Agent in Charge being interviewed.



Special agent explains how CI uses undercover operations to university students.



Washington DC Field Office members collect Toys for Tots.



Special agents represent CI at the American Bar Association.



Washington DC Field Office members during annual training.

APPENDIX Page 1 of 2

This appendix includes investigation data appearing in the annual report as well as extended information regarding incarceration rates.

FY Combined Results

	2023	2022	2021
Investigations Initiated	2676	2558	2581
Prosecution Recommendations	1838	1837	1982
Informations/Indictments	1676	1670	1856
Sentenced	1479	1490	1268
Incarceration Rate	79%	77%	78%
Average Months to Serve	48	42	43

Abusive Return Preparer Program

	2023	2022	2021
Investigations Initiated	201	175	145
Prosecution Recommendations	108	93	90
Informations/Indictments	92	112	110
Sentenced	134	129	111
Incarceration Rate	72%	69%	77%
Average Months to Serve	23	19	16

Abusive Tax Schemes

	2023	2022	2021
Investigations Initiated	103	74	65
Prosecution Recommendations	36	58	38
Informations/Indictments	40	35	41
Sentenced	26	32	23
Incarceration Rate	77%	88%	48%
Average Months to Serve	36	52	13

Bank Secrecy Act (BSA)

	2023	2022	2021
Investigations Initiated	511	544	473
Prosecution Recommendations	350	352	389
Informations/Indictments	319	338	346
Sentenced	235	267	248
Incarceration Rate	77%	71%	76%
Average Months to Serve	32	24	41

Corporate Fraud

	2023	2022	2021
Investigations Initiated	34	34	40
Prosecution Recommendations	31	25	22
Informations/Indictments	26	23	27
Sentenced	19	28	31
Incarceration Rate	79%	89%	84%
Average Months to Serve	22	46	32

Employment Tax

	2023	2022	2021
Investigations Initiated	221	223	215
Prosecution Recommendations	115	168	170
Informations/Indictments	128	142	111
Sentenced	103	101	67
Incarceration Rate	84%	70%	81%
Average Months to Serve	20	18	22

Financial Institution Fraud

	2023	2022	2021
Investigations Initiated	28	29	61
Prosecution Recommendations	25	26	50
Informations/Indictments	20	20	49
Sentenced	16	32	21
Incarceration Rate	81%	81%	71%
Average Months to Serve	45	41	43

Healthcare Fraud

	2023	2022	2021
Investigations Initiated	44	76	61
Prosecution Recommendations	36	68	55
Informations/Indictments	32	69	57
Sentenced	56	56	52
Incarceration Rate	80%	80%	79%
Average Months to Serve	39	29	42

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 [J5 Website](#)



APPENDIX

Page 2 of 2

This appendix includes investigation data appearing in the annual report as well as extended information regarding incarceration rates.

Identity Theft	2023	2022	2021
Investigations Initiated	137	101	145
Prosecution Recommendations	96	97	111
Informations/Indictments	98	88	146
Sentenced	81	101	112
Incarceration Rate	80%	85%	82%
Average Months to Serve	50	38	34

International Operations	2023	2022	2021
Investigations Initiated	147	163	172
Prosecution Recommendations	128	161	181
Informations/Indictments	117	143	180
Sentenced	128	130	111
Incarceration Rate	85%	77%	79%
Average Months to Serve	63	52	46

Money Laundering	2023	2022	2021
Investigations Initiated	955	962	1050
Prosecution Recommendations	805	796	934
Informations/Indictments	675	701	800
Sentenced	479	418	383
Incarceration Rate	84%	83%	84%
Average Months to Serve	74	71	75

Narcotics	2023	2022	2021
Investigations Initiated	528	592	661
Prosecution Recommendations	480	495	646
Informations/Indictments	451	475	578
Sentenced	418	353	322
Incarceration Rate	85%	81%	82%
Average Months to Serve	89	82	84

Non-Filer	2023	2022	2021
Investigations Initiated	251	260	243
Prosecution Recommendations	141	152	137
Informations/Indictments	115	115	128
Sentenced	116	116	88
Incarceration Rate	83%	78%	80%
Average Months to Serve	28	35	35

Public Corruption	2023	2022	2021
Investigations Initiated	37	26	51
Prosecution Recommendations	18	24	38
Informations/Indictments	15	27	52
Sentenced	38	38	27
Incarceration Rate	82%	84%	78%
Average Months to Serve	37	39	24

Questionable Refund Program	2023	2022	2021
Investigations Initiated	93	66	69
Prosecution Recommendations	39	58	49
Informations/Indictments	40	51	56
Sentenced	65	65	95
Incarceration Rate	72%	80%	80%
Average Months to Serve	42	28	27

Terrorism	2023	2022	2021
Investigations Initiated	14	48	26
Prosecution Recommendations	12	37	9
Informations/Indictments	12	33	13
Sentenced	9	9	10
Incarceration Rate	67%	44%	70%
Average Months to Serve	127	13	7



