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government by filing phony tax returns in the names of thousands of dead people was indicted this week.

Feb. 09, 2013

Feb. 09—A South Florida ring accused of plotting to fleece \$34 million from the U.S. government by filing phony tax returns in the names of thousands of dead people was indicted this week.

The indictment charged 11 defendants with conspiring to defraud the Internal Revenue Service by stealing the identities of nearly 7,000 people, including more than 2,700 who were dead, to file fraudulent tax returns, according to federal prosecutors.

The case marks the latest federal crackdown on the escalating crime, which costs the U.S. government billions of dollars every year. Earlier this week, the U.S. attorney's office announced the recent prosecutions of 14 defendants in similar fraud cases.

U.S. Attorney Wifredo Ferrer said the double-barreled crime of ID theft coupled with tax refund scams is the "new Medicare fraud" in South Florida.

According to the latest indictment, the defendants recruited "knowing participants and unknowing victims" to put businesses, bank accounts and electronic filing ID numbers in the perpetrators' names to carry out their schemes, prosecutors said.

"To avoid having the fraud discovered, the defendants negotiated the fraudulently obtained income tax refund checks at each other's businesses," they said in a statement.

Prosecutors are seeking to seize \$443,449 from bank accounts, a 2011 Cadillac Escalade EXT Premium Sport, a 2010 Nissan Maxima, a 2011 Infiniti M37 and a 2010

Porsche.

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On Friday, Dorvil, Harren, Patterson, Johnson and Sarré just made their initial appearances in federal court in Fort Lauderdale.

Cartwright was arrested in Georgia and will make her initial appearance there. Wilmore, both Eleazards, St. Fleur and Similien remain at large.

On Thursday, in a separate case, three defendants were sentenced for filing false income-tax claims with the IRS using the stolen identities of foreign nationals.

Christian Andres Perin, 40, of Miami, was sentenced to more than seven years in prison. Venancio Oscar Pio, 52, of Doral, and Olga Rosana Garcia, 46, of Miami, were sentenced to about six years.

The defendants were also ordered to pay restitution of \$1.15 million.

Perpetrators in South Florida, Tampa and other regions of the country steal the identities of people including prisoners, the dead, the poor and even children who don't file income tax returns in order to avoid having the IRS detect duplicate filings, authorities say. They also swipe people's IDs to file phony tax returns. Combined, the schemes have robbed the U.S. government of billions of dollars yearly since the crime began spreading in 2008, according to a Treasury Department report.

South Florida victims of these and similar crimes run the gamut: police officers, Holocaust survivors, U.S. Marines stationed in Afghanistan, hospital patients and senior citizens.

What's fueling the fraud? Florida has the highest rate of identity theft in the country, with 178 complaints per 100,000 residents last year, followed by Georgia, with 120 complaints per 100,000 residents, according to the Federal Trade Commission.

Ferrer noted that ID theft is the force behind the "tsunami" of tax-refund fraud. He added that Florida's rate is "dwarfed" by that in the Miami area, with 324 complaints

per 100,000 residents.

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