

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Simmons, Jr. to 15 years in federal prison for defrauding the Internal Revenue Service and for aggravated identity theft. The court also ordered Simmons to forfeit a 2005 Bentley, more than \$100,000 in jewelry, \$25,000 cash, and more than \$118,000 worth of fraudulently obtained tax refunds, which are traceable proceeds of the offense.

Mar. 24, 2013

From the Sunshine and Tax Fraud State:

On Friday in Tampa, Florida, a U.S. District Court judge sentenced Floridian Russell B. Simmons, Jr. to 15 years in federal prison for defrauding the Internal Revenue Service and for aggravated identity theft. The court also ordered Simmons to forfeit a 2005 Bentley, more than \$100,000 in jewelry, \$25,000 cash, and more than \$118,000 worth of fraudulently obtained tax refunds, which are traceable proceeds of the offense.

Simmons pleaded guilty to one count of wire fraud and one count of aggravated identity theft on December 11, 2012.

According to court documents, starting in the summer of 2011, investigators learned that Simmons was engaging in tax fraud at his business, Simmons Auto Sales. Simmons was selling vehicles in exchange for United States Treasury checks obtained from the filing of fraudulent federal income tax returns.

The fraudulently obtained Treasury checks that Simmons received were for a much higher value than the sales price of the vehicles sold. Simmons negotiated the checks and laundered the proceeds through his business accounts.

The investigation also revealed that Simmons filed fraudulent tax returns from his computer located at his business, and maintained a ledger that contained numerous

personal identifiers associated with the fraudulent filings.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

On or about August 7, 2011, Simmons was captured on video at a Wal-Mart store in Brandon. He made a total purchase of \$11,500, including twenty-one \$500.00 money orders and two \$400.00 money orders. He also withdrew \$200.00 in cash.

Simmons utilized seven different debit cards. Each of the seven pre-paid debit cards were loaded with funds derived from the filing of fraudulent tax returns in names other than Simmons'. The fraudulently obtained tax refunds loaded onto cards totaled \$76,088.20.

The money orders from Wal-Mart were paid for with debit cards that were loaded with fraudulent tax refunds. When Simmons negotiated the money orders at the bank, he made them payable to Simmons Auto Sales and endorsed them with his name.

Law enforcement officials interviewed several individuals whose names appeared on the prepaid cards used by Simmons. Each of the victims stated that they did not know Russell Simmons and did not give him permission to use their identity.

In total, the Internal Revenue Service confirmed that Simmons filed approximately 120 false returns, with refunds totaling \$1,176,787 for the 2010 tax year. These fraudulent filings were accepted by the IRS and resulted in the payment of refunds. Investigators further determined that Simmons made or attempted to make additional false claims with the IRS that were rejected, with refunds totaling more than \$3 million.

Records obtained from TurboTax show that returns filed from the IP addresses assigned to Simmons' residence and business transmitted or attempted to transmit federal income tax returns that claimed and attempted to claim approximately \$8.9 million in fraudulent refunds.

This case was investigated by the U.S. Secret Service, the Internal Revenue Service

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Department.

Income Tax • Taxes

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved