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**FRAUD**

# Wisconsin Tax Accountant Gets 8 Months in Jail for Return Fraud

James Canfield, 74, pleaded guilty in January to aiding in the preparation of false tax returns filed with the IRS.

Jason Bramwell • Sep. 19, 2022



An accountant from Plover, WI, was sentenced to eight months in federal prison on Sept. 14 for aiding in the preparation of false tax returns filed with the IRS, according to the U.S. Attorney's Office for the Western District of Wisconsin.

James Canfield, 74, owner of Advanced Accounting Concepts Inc., pleaded guilty to this charge on Jan. 4, 2022.

Between 2013 and 2018, Canfield prepared and electronically submitted tax returns to the IRS on behalf of clients with both exaggerated and, in some instances, fabricated business expenses resulting in unjustified deductions for the business use of the clients' homes, according to U.S. Attorney Timothy O'Shea. Despite being told by clients that they primarily used their homes as their personal residences, Canfield often attributed 100% of their homes for business, then took ordinary home expenses as deductible business expenses.

During Canfield's sentencing, Chief U.S. District Judge James Peterson noted that although Canfield did not directly profit financially from the fraudulent refunds or lower taxes paid by clients, he knowingly engaged in preparing the false returns to generate repeat business from the clients and expand his client base through favorable client recommendations. In choosing a sentence, Peterson considered Canfield's age and health, as well as the fact that the accountant's conduct was "sustained and repeated."

Canfield had previously been fined two separate times by the IRS for preparing returns with unjustified business expenses and claiming personal living expenses as business deductions. After the second time Canfield was fined, IRS revenue agents met with him in 2012 and explained in detail how deductions he was submitting were unlawful under IRS regulations. But Canfield continued to prepare returns using the same false deductions for the next six years.

In addition to his jail sentence, Canfield was permanently banned by the IRS from preparing or filing any tax returns for third parties.

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