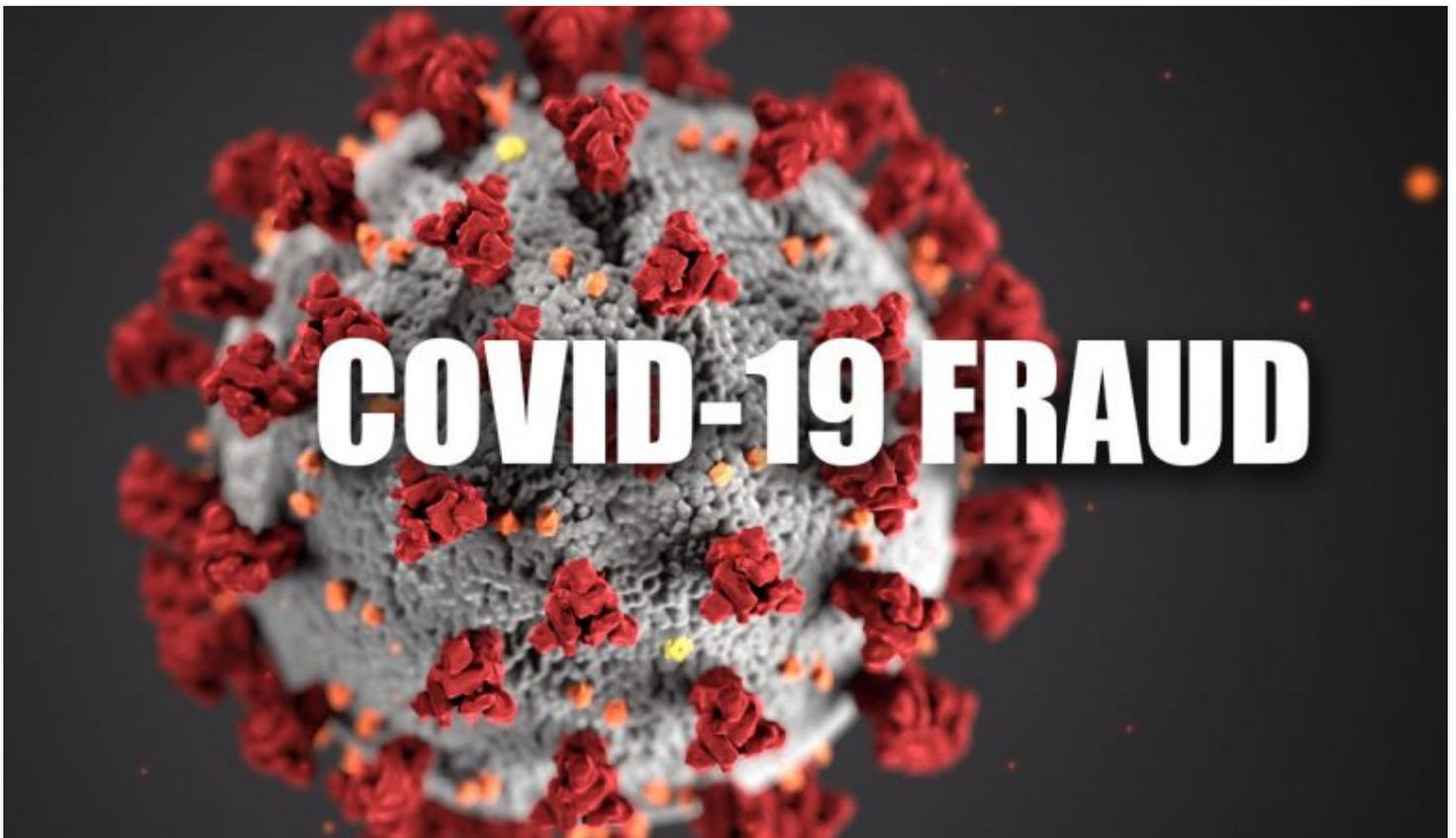


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cases related to COVID fraud totaling \$8.9 billion.

Jason Bramwell • Apr. 01, 2024



It has now been more than four years since COVID-19 began ravaging the U.S., but the worst health crisis any of us have ever faced so far in our lifetime hasn't stopped people from trying to financially take advantage of others.

Over the last four years, the IRS Criminal Investigation unit has investigated 1,644 tax and money laundering cases related to COVID fraud totaling \$8.9 billion, according to statistics released by the tax agency on March 28. Well over half that amount has come from cases opened in the last year, IRS-CI said.

These cases include a wide range of criminal activity, including fraudulently

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prosecuted COVID fraud cases, officials said.

“The work by IRS Criminal Investigation provides a vital role in protecting against fraud and serves a key part in the agency’s wider efforts to ensure fairness in the nation’s tax system,” IRS Commissioner Danny Werfel said in a statement.

“Protecting taxpayers against fraud in pandemic-era programs is just one example of the important role that CI plays in the law enforcement community. A healthy budget for the IRS helps us get the job done, and the work of CI provides a critical safety net to protect the nation against fraud.”

The agency said IRS-CI’s ongoing fraud-protection work will be supported by additional resources used by the IRS thanks to funding from 2022’s Inflation Reduction Act.

“In the last year alone, we have opened nearly 700 new COVID fraud investigations that collectively add up to \$5 billion in potential fraud,” said IRS-CI Chief Guy Ficco, who [recently succeeded Jim Lee](#) as head of the agency’s crime unit. “While COVID may no longer be top of mind to the average American when they wake up, the fraud committed through these different programs is very much top of mind to CI. Our special agents continue to seek out fraudsters who stole money from government loan programs for their personal gain.”

In one recent case, Rami Saab, also known as “Rami Hasan,” was [sentenced to 10 years in prison](#) and required to pay \$9.6 million in restitution last month for his role as the mastermind behind a sprawling conspiracy to fraudulently obtain loans during the pandemic.

Saab and a network of co-conspirators fraudulently applied for more than \$32 million in loans from the Paycheck Protection Program (PPP) and Economic Injury Disaster Loan Program (EIDL) on behalf of shell corporations they controlled,

according to IRS-CI. Relying on false information and fabricated documentation

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conspiracy to commit wire fraud, wire fraud, and money laundering.

Pounds and his co-defendants devised a scheme to obtain SBA-financed loans from the EIDL Program and the PPP under false pretenses, often claiming the loans were for nonprofit, faith-based organizations with more than \$1 million in revenue and 15 employees, according to IRS-CI. He successfully obtained millions of dollars in loans and then used the money to purchase several new vehicles, which were later forfeited to the U.S. government.

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