

U.S. Attorney Haanstad: Appleton tax return preparer charged with tax fraud

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Gregory J. Haanstad, the United States Attorney for the Eastern District of Wisconsin, announced that Gerardo “Gerry” Garcia (age 54), a resident of Appleton, Wisconsin, was charged in a 10-count indictment. The indictment charges Garcia, who operated a tax return preparation business in Appleton, Wisconsin, under the name Garcia Enterprises, LLC, with 10 counts of assisting in the filing of false federal income tax returns.

The indictment alleges that Garcia prepared fraudulent tax returns that claimed refunds to which his customers were not entitled and that understated his customers’ tax liabilities. Garcia filed returns that fraudulently claimed, among other things, ineligible dependents for his clients that resulted in inflated exemptions, child tax credits, earned income tax credits, and additional child tax credits. Garcia also claimed improper filing statuses for his clients, resulting in improper deductions.

The indictment further alleges that, during the period from April 2011 through April 2015, Garcia filed at least 44 false and fraudulent income tax returns with the Internal Revenue Service fraudulently causing a \$133,460 loss to the United States. The indictment follows a September 2015 civil injunction order entered by the U.S. District Court for the Eastern District of Wisconsin, which prohibited Garcia from acting as a tax return preparer and from operating a tax return preparation business.

If convicted on all counts, Garcia faces up to three years in prison on each of the false tax return charges, plus a fine of up to \$250,000. Garcia is scheduled to be arraigned in federal court in Green Bay on April 19, 2017.

This matter was investigated by Internal Revenue Service, Criminal Investigation. The case has been assigned to Assistant United States Attorney Elizabeth Monfils for prosecution.

An indictment is only a charge and not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.