



Robert W. Wood

THE TAX LAWYER

TAXES 8/15/2016

IRS Employee Gets 9 Years In Prison For Stealing Taxpayer Identities

A federal judge has [sentenced an IRS employee to nine years and two months in prison](#) for illegally using her access to taxpayer information. Nakeisha Hall, age 40, ran a complex, multi-year, \$1 million stolen identity tax refund scheme. She left hundreds of victims in her wake. Hall is the daughter of another IRS employee. She began working for the IRS in 2000. Ironically, she worked for part of the IRS that is charged with helping taxpayers, the [IRS Taxpayer Advocate Service](#) (TAS).

She worked in the TAS office in Birmingham from July 2007 to November 2011. After that, she worked in TAS offices in three different states. Among other things, TAS works with victims of identity theft, assisting them in removing fraudulent tax information from their accounts and filing corrected tax returns. In February, Ms. Hall pleaded guilty to theft of government funds, aggravated identity theft, unauthorized access to a protected computer and conspiracy to commit bank fraud and mail fraud affecting a financial institution.



Internal Revenue Service's headquarters March 24, 2016 in Washington, DC. (Photo credit: BRENDAN SMIALOWSKI/AFP/Getty Images)

Chief U.S. District Judge Karon O. Bowdre sentenced Hall to nine years and two months in prison. The Judge ordered her to pay \$438,187 in restitution to the IRS, and to forfeit the same amount to the U.S. government as proceeds of criminal activity. Bowdre's sentence was based in large part on Hall's role in the extensive scheme and the fact that she [abused her position of trust as an IRS employee to commit it](#).

"This defendant abused her position of trust as an IRS employee, using her access to compromise taxpayers' identities to attempt to steal more than \$1 million from the agency. She successfully claimed more than \$400,000 in fraudulent tax refunds," U.S. Attorney Joyce White Vance said in a [press release](#).

Three co-conspirators pleaded guilty in the case. Lashon Roberson, 36, of Birmingham, pleaded guilty to conspiracy to commit mail fraud affecting a financial institution and mail fraud affecting a financial institution. Roberson worked for many years in the financial services industry. She was sentenced in July to three years in prison and ordered to pay \$119,185 in restitution to the IRS.

Jimmie Goodman, 37, of Birmingham, pleaded guilty to conspiracy to commit mail and bank fraud. Goodman, who had a prior identity-theft conviction, was

sentenced in July to three years and five months in prison and was ordered to pay \$82,802 in restitution to the IRS and to forfeit that amount to the government.

Abdulla Coleman, 40, also of Birmingham, pleaded guilty to conspiracy to commit mail fraud affecting a financial institution and bank fraud. He is scheduled for sentencing Sept. 14. They conspired to defraud both the IRS and financial institutions, and used the U.S. mail to execute the fraud. The plan went something like this.

Hall obtained individuals' names, birth dates and Social Security numbers through unauthorized access to IRS computers. She used the personal identity information to prepare fraudulent income tax returns and submitted them electronically to the IRS. Hall requested that the IRS pay the refunds onto debit cards and directed that the cards be mailed to drop addresses that she controlled. Hall solicited and received drop addresses from Goodman, Coleman, Roberson and at least one other person. The co-conspirators also collected the refund cards from the mail.

Hall activated the cards by using the stolen personal identity information. She and her co-conspirators took the money off the debit cards at ATMs or used the cards for purchases. If the fraudulent returns generated U.S. Treasury checks rather than the requested debit cards, the group used fraudulent endorsements in order to cash the checks. Hall compensated Goodman, Coleman, Roberson and the fifth co-conspirator by giving them a portion of the refund money, or by giving them refund cards for their own use.

For alerts to future tax articles, email me at Wood@WoodLLP.com. This discussion is not legal advice.