



## Robert W. Wood

THE TAX LAWYER

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### Sufi Islamic Organization Used In Alleged Tax Fraud

Taxes and religion aren't supposed to go together. Yet we all know that *bona fide* churches are exempt from tax and we can deduct money we donate. Despite these rules, any inquiry by the government into what qualifies as a legit religion can be sensitive. Yet scamming people out of money and then taking it for personal rather than church use is serious. That's what the feds allege occurred with several Sufi Islamic centers in Northern California.

Prosecutors say that a man and woman swindled the Sufi Islamic centers out of thousands in cash by keeping portions of donations intended for the religious organization. A federal [grand jury indicted Kamran Azizi and Hedyeh Shoar](#) on charges of tax fraud and conspiracy. The [indictment](#) claims that Mr. Azizi was responsible for collecting donations at several MTO centers throughout Northern California.

[MTO](#), a Sufi Islamic organization, has members who often make donations to the organization by way of cash or checks. Ms. Shoar was employed by MTO as an accountant. The indictment claims that Mr. Azizi kept a portion of members' donations for his own benefit with assistance from Ms. Shoar.



*Seal of the United States Department of Justice (Photo credit: Wikipedia)*

Although Mr. Azizi and Ms. Shoar were taking the money for their personal use, the income didn't show up on joint or individual returns. The tax returns omitted the MTO donations Azizi kept for his own benefit during these years, even though these donations were Mr. Azizi's primary source of income.

Prosecutors also say the couple deceived their tax return preparer by failing to provide the return preparer with complete information regarding Mr. Azizi's income. Mr. Azizi was also charged with two counts of filing false federal income tax returns for the 2007 and 2008 filings. For 2007, he reported his total income was \$5,114. For 2008, he reported his total income was \$9,037. The IRS found it to be much higher for each year.

Mr. Azizi was arraigned, but Ms. Shoar is a fugitive. If convicted of conspiracy, each defendant faces up to five years in prison and a \$250,000 fine. Filing a false tax return carries a maximum sentence of three years in prison and a \$250,000 fine.

Contact me at [Wood@WoodLLP.com](mailto:Wood@WoodLLP.com). This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.