

Guilty pleas in tax fraud case

Three people associated with a West Slope tax return preparation business have pleaded guilty to fraud charges.

Teresa Marty, 56, the owner of Placerville-based Advanced Financial Services, pleaded guilty Aug. 31 to conspiring to file false claims for refund and conspiring to defraud the Internal Revenue Service. On Aug. 24, Pamela Harris, Marty's office manager, and Rebecca Bandera-Marty, a certified tax return preparer, pleaded guilty to one count of conspiring to file false claims.

Marty, Harris and Bandera-Marty were indicted in June 2013 along with two other co-defendants, Charles and Victoria Tingler. The Tingleers, who were clients, pleaded guilty to filing false claims in spring 2015. They will be sentenced in November.

Marty, Harris and Bandera-Marty admitted that they conspired to file false individual income tax returns claiming more than \$60 million in false federal income tax refunds. Marty and Harris recruited clients by falsely representing that the clients could legally receive sizable tax refunds by filing tax returns with IRS Forms 1099-OID. AFS prepared false Forms 1099-OID that reported an amount equal to the clients' debts as income and the same amount as income tax withheld, resulting in significant income tax refunds to which the clients were not entitled. The scheme included clients from 26 states.

Marty is scheduled to be sentenced Jan. 4. She faces a maximum sentence of 15 years in prison, a term of supervised release and monetary penalties. Bandera-Marty is scheduled to be sentenced Nov. 16, and Harris is scheduled to be sentenced

Jan. 4. They each face a maximum sentence of 10 years in prison, a term of supervised release and monetary penalties.

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