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FOR IMMEDIATE RELEASE

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IRS EMPLOYEE PLEADS GUILTY TO FILING FALSE TAX RETURN

OAKLAND, Calif. – Kimberly S. Daniels, 46, an Internal Revenue Service (IRS) employee in Oakland, California, pleaded guilty yesterday to filing a false United States Individual Income Tax Return, announced United States Attorney Melinda Haag, Assistant Attorney General of the United States Department of Justice’s Tax Division Kathryn Keneally, and the Treasury Inspector General for Tax Administration J. Russell George.

According to the plea agreement, while an employee of the IRS in March 2011, Daniels filed her 2010 income tax return in which she fraudulently claimed two dependents, knowing they were not her dependents, and requested a tax refund of \$4,175 to which she was not entitled.

Treasury Inspector General for Tax Administration J. Russell George noted that his office aggressively investigates all allegations of IRS employee corruption. “All IRS employees must properly file their tax returns, as they are expected to execute their duties with the highest standards of integrity in order to maintain the public’s trust in the American system of tax administration,” he said.

Daniels’ sentencing is scheduled for July 24, 2013 at 2:30 PM before United States District Court Judge Phyllis J. Hamilton in Oakland. The maximum statutory penalty for filing a false tax return as an IRS agent, in violation of Title 26, U.S.C. § 7214(a)(7) is 5 years in prison, a \$250,000 fine, and mandatory dismissal from employment with the IRS. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

This case is the result of an investigation conducted by Treasury Inspector General for Tax Administration investigators. United States Department of Justice Tax Division Trial Attorney Matthew J. Kluge and Assistant United States Attorney Michael G. Pitman are prosecuting this case.

Further Information:

Case #: 4:12-cr-00846-PJH

A copy of this press release may be found on the U.S. Attorney’s Office’s Web site at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's Web site at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Joshua Eaton at (415) 436-7200 or by e-mail at josh.eaton@usdoj.gov.