



# Department of Justice

**United States Attorney Melinda Haag  
Northern District of California**

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CONTACT: JACK GILLUND  
(415) 436-

[Jack.Gillund](mailto:Jack.Gillund)

**OAKLEY RESIDENT PLEADS GUILTY TO CONSPIRACY  
TO FILE FALSE CLAIMS**

*More Than 67 False Federal Income Tax Returns Claiming More Than \$500,000 in Refunds Filed  
From Her Residence*

SAN FRANCISCO – An Oakley, Calif., resident pleaded guilty Wednesday to conspiring to file false claims against an agency of the United States (IRS), United States Attorney Melinda Haag and Special Agent in Charge, IRS Criminal Investigation, Scott O'Briant announced.

According to statements made by Kenestta Johnson, aka Peaches Johnson, during her plea, while acting in concert with others, she assisted in filing false federal income tax returns during 2008 and 2009. The tax returns Johnson filed or assisted in filing were from addresses in Oakley and Oakland, Calif. They were electronically filed in the name of someone else using that person's personal information. Johnson, 37, was charged by information on May 18, 2011.

This matter is part of an ongoing investigation related to criminal complaints filed by an IRS-CI Special Agent. The IRS identified 800 fraudulent income tax returns claiming \$6.2 million in fraudulent refunds. In March and April of 2009, IRS-CI agents executed search warrants at the residences of the individuals who maintained the bank accounts listed on the fraudulent income tax returns, in the Northern and Eastern Districts of California.

Niyah Edwards, 30, of Sacramento, Calif., was sentenced on May 17 to 51 months in prison. Edwards is scheduled to be sentenced for a second time on Aug. 26, 2011, for criminal contempt based on her violations of a court order.

Ayani Davis, 33, of Antioch, Calif., was sentenced on April 13, to 63 months in prison.

Samuel Warren, of Oakley, was sentenced on July 6 to 21 months in prison.

Latrece O'Neal, 41, of Oakley, is scheduled to be sentenced on Nov. 9, 2011. She was charged on Sept. 21, 2010, with conspiracy to file false claims and obstructing the administration of Internal Revenue laws. The indictment alleges that O'Neal filed multiple false federal income tax returns, and that she induced witnesses to provide false information to the IRS during the investigation of this case. O'Neal was also charged with obstruction.

The maximum statutory penalty for each count of conspiring to file a false claim against an agency of the United States in violation of Title 18 U.S.C. § 286 is 10 years in prison and a fine of \$250,000, plus restitution if appropriate. 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.

Thomas Newman is the Assistant U.S. Attorney who is prosecuting the case with the assistance of Kathy Tat. The prosecution is the result of an investigation by the Internal Revenue Service – Criminal Investigation.

**Further Information:**

Case #: 09-858-CRB, 10-687-CRB, 10-891-CRB, 11-318-CRB

A copy of this press release may be found on the U.S. Attorney's Office's website at [www.usdoj.gov/usao/can](http://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 website at [www.cand.uscourts.gov](http://www.cand.uscourts.gov).

All press inquiries to the U.S. Attorney's Office should be directed to Jack Gillund at (415) 436-6599 or by e-mail at [Jack.Gillund@usdoj.gov](mailto:Jack.Gillund@usdoj.gov).