

U.S. Department of Justice

United States Attorney
Southern District of Florida
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Defendants Sentenced to Imprisonment in Extensive Stolen Identity Tax Refund Fraud Scheme

Thousands of fraudulent tax returns filed with the IRS claiming, collectively, tens of millions of dollars in refunds

Six defendants have been sentenced to terms of imprisonment for their participation in an extensive stolen identity tax refund fraud scheme involving the personal identifying information (PII) of more than 29,000 individuals. The defendants used the PII, including names, dates of birth, and Social Security numbers, to file thousands of fraudulent federal income tax returns with the IRS claiming, collectively, tens of millions of dollars in refunds.

Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, Kelly R. Jackson, Special Agent in Charge, Internal Revenue Service, Criminal Investigation (IRS-CI), Robert C. Hutchinson, Acting Special Agent in Charge, U.S. Immigration and Customs Enforcement's Homeland Security Investigations (ICE-HSI), Delany De-Leon Colon, Acting Inspector in Charge, U.S. Postal Inspection Service (USPIS), Miami Division, Rafiq Ahmad, Special Agent in Charge, United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations Miami Office (DOL-OIG), Carlos A. Canino, Special Agent in Charge, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), Miami Field Office, George L. Piro, Special Agent in Charge, Federal Bureau of Investigation (FBI), Miami Field Office, Dexter Williams, Chief, City of Miramar Police Department, Steve Steinberg, Chief, Aventura Police Department, William Hernandez, Chief, North Miami Beach Police Department (NMBPD), and Franklin Adderley, Chief, Fort Lauderdale Police Department, made the announcement.

Harlan Decoste, a/k/a "Money King," a/k/a "Moneyking_111," 27, of Miramar, was sentenced to a total of 234 months in prison, to be followed by 3 years of supervised release, and was ordered to pay joint and several restitution in the amount of \$28,211,434. **Kerby Luma, a/k/a "Money Makin Kerb,"** 26, of Miramar, was sentenced to a total of 132 months in prison, to be followed by 3 years of supervised release, and was ordered to pay joint and several restitution in the amount of \$28,211,434. **Frantz Decoste, a/k/a "Gripe_111,"** 21, of Miramar, was sentenced to a total of 54 months in prison, to be followed by 3 years of supervised release, and was ordered to pay joint and several restitution in the amount of \$28,211,434. **Francis Jeudy, a/k/a "Money Makin Rab," a/k/a "Brizzleon111,"** 26, of Miramar, was sentenced to a total of 116 months in prison, to be followed by 3 years of supervised release, and was ordered to pay joint and several restitution in the amount of \$28,211,434. **Andy Cherrelus, a/k/a "Risktakers111,"** 24, of

Miami, was sentenced to 94 months in prison, to be followed by 3 years of supervised release, and was ordered to pay joint and several restitution in the amount of \$10,000,000. Each of the defendants previously pled guilty to one count of conspiracy to defraud the government with respect to claims, in violation of Title 18, United States Code, Section 286, one count of conspiracy to possess fifteen or more unauthorized access devices, in violation of Title 18, United States Code, Section 1029(b)(2), one count of possession of fifteen or more unauthorized access devices, in violation of Title 18, United States Code, Section 1029(a)(3), and one count of aggravated identity theft, in violation of Title 18, United States Code, Section 1028A(1)(a). Frantz Decoste and Jeudy also pled guilty to one count of possession of stolen mail, in violation of Title 18, United States Code, Section 1708.

In a separate sentencing hearing, **Chad Davis, a/k/a "Chadillac," a/k/a "Chadillac 305,"** 29, of Miami, was sentenced to 4 months in prison, to be followed by three years of supervised release. Davis previously pled guilty to one count of possession of fifteen or more unauthorized access devices, in violation of Title 18, United States Code, Section 1029(a)(3).

“During the course of this stolen identity tax refund scheme, the defendants targeted our U.S. taxpayers and the IRS by unlawfully possessing and using personal information to submit tens of millions of dollars in fraudulent tax refund claims,” said U.S. Attorney Wifredo Ferrer. “The prosecution of those who attempt to steal our tax dollars will continue to remain a top priority for the U.S. Attorney’s Office and our law enforcement partners.”

Kelly R. Jackson, Special Agent in Charge, IRS Criminal Investigation (IRS-CI), stated, “This is one of the largest stolen identity tax refund fraud schemes prosecuted in the United States. These defendants perpetuated an elaborate scheme driven by insatiable greed and a blatant disregard for the integrity of the United States tax system. This case is another example of IRS-CI’s commitment to investigate individuals who participate in stolen identity tax refund fraud and hold them accountable for their actions.”

“We continue to utilize our vast resources to disrupt and dismantle these criminal organizations,” stated Robert C. Hutchinson, Special Agent in Charge, ICE’s Homeland Security Investigations.

"We work together with the common goal of making our communities safer," said Delany De Leon Colon, Acting Inspector In Charge, U.S. Postal Inspection Service, Miami Division. "We will continue to work collaboratively to take criminals off our streets."

“The Department of Labor Office of Inspector General is committed to working with our Identity Theft Strike Force partners to combat fraud involving the unemployment insurance program in the Southern District of Florida and other affected areas. This collaborative effort has been an invaluable tool in bringing the perpetrators of these crimes to justice,” stated Rafiq Ahmad, Special Agent in Charge of the Atlanta Regional Office of the U.S. Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations.

“A great example of local and federal agencies working together to remove from our streets those who seek fraudulent financial gain by stealing identity information from honest citizens,” said Carlos A. Canino, Special Agent in Charge, ATF.

“This massive stolen identity scheme impacted thousands of victims and fraudulently claimed tens of millions of dollars in IRS refunds,” said George L. Piro, Special Agent in Charge, FBI Miami. “The investigation highlights the necessary and extensive cooperation by numerous law enforcement agencies that brought these fraudsters to justice. I commend these agencies for their commitment to investigate cyber intrusions that rob citizens of their identities.”

According to court documents, while officers from the Miramar Police Department were investigating an armed home invasion that occurred at a home occupied by Harlan Decoste, Frantz Decoste, Luma, and Jeudy, in the Silver Falls Subdivision in Miramar, they discovered evidence of narcotics activity within the home. As a result, officers obtained a state court search warrant for the residence.

While officers were searching the home pursuant to the state court warrant, they found evidence of fraud related activity in various bedrooms and common areas, consisting of approximately 500 debit cards issued in other persons’ names, one ledger/notebook that contained PII, one ledger/notebook that contained information related to tax returns, five United States income tax refund checks in other persons’ names, and various tax return documentation in other persons’ names. In addition, the officers seized approximately 10 computers and 3 USB drives. There were also significant amounts of United States currency, jewelry, expensive shoes and clothing, and other valuable items in the home.

Federal Agents obtained a search warrant to review the electronic and other evidence recovered from the residence. A forensic review of those items revealed that the computers contained over 29,000 individual pieces of PII. Some of the PII appeared in photographs of computer screens (screenshots) from a medical center. The screenshots each contained approximately twelve patient names, dates of birth, and Social Security numbers. The PII was also contained in rich text format document files. Many of the rich text document files contained the PII from the patient screenshots, along with additional user-inputted information such as the victims’ true addresses, fictitious addresses associated with tax returns, account numbers, IRS filing personal identification numbers, and refund amounts.

Further analysis revealed that the defendants filed and caused to be filed numerous fraudulent federal tax returns claiming, collectively, tens of millions of dollars associated with the PII recovered from the residence. The defendants provided payment instructions on the tax returns, directing the IRS to transfer the tax refunds to various accounts in other persons' names that the defendants and their co-conspirators controlled. The defendants then withdrew the unlawfully obtained tax proceeds for their personal use and to further the fraud scheme.

Mr. Ferrer commended the investigative efforts of IRS-CI, ICE-HSI, USPIS, DOL-OIG, ATF, FBI Miami Cyber Task Force, as well as the Miramar, Aventura, North Miami Beach and Fort Lauderdale Police Departments. The case was prosecuted by Assistant United States Attorney Brooke Watson.

Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.

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