

PRESS RELEASE

Disputanta Tax Return Preparer Pleads Guilty to Tax and COVID-19 Fraud

Tuesday, April 25, 2023

For Immediate Release

U.S. Attorney's Office, Eastern District of Virginia

RICHMOND, Va. – A Disputanta woman pleaded guilty today to filing a false individual tax return, preparing false returns for her taxpayer customers, and defrauding two COVID-19 relief programs.

According to court documents, Sherika T. Carter, 40, was the owner and operator of Binn's Tax Service LLC (Binn's Tax) which has been in operation since at least the 2016 tax return filing season. Carter routinely prepared and submitted to the Internal Revenue Service (IRS) individual income tax returns for Binn's Tax's customers. Between 2016 and continuing through 2021, she filed over 2,000 returns. Certain returns Carter prepared for her customers were fraudulent, as she added false items on the Schedules A, Schedules C, and residential energy credit forms accompanying the returns without the knowledge and consent of her customers. This resulted in her customers either receiving inflated refunds from the IRS or paying less taxes than were owed. Likewise, for tax year 2019, Carter prepared a false and misleading individual income tax return for herself, thereby fraudulently reducing her tax liability. In total, Carter's crimes caused a tax loss to the IRS of at least \$376,248.

Separately, Carter devised and repeatedly executed a scheme to defraud the Paycheck Protection Program (PPP) and the Pandemic Unemployment Assistance (PUA) program of finite funds intended for businesses and workers impacted by the COVID-19 pandemic. As part of this scheme, she submitted PPP applications to financial institutions that contained false supporting documentation, such as a false Schedule C that had never been filed with the IRS and which contained materially false information. Despite fraudulently obtaining three separate PPP loans for Binn's Tax and herself, Carter further filed a fraudulent unemployment insurance/PUA application with the Virginia Employment Commission that contained false information about her employment status.

Through this scheme, the defendant unlawfully received approximately \$100,000 intended for businesses and workers suffering the effects of the pandemic.

Carter is scheduled to be sentenced on September 19, 2023. She faces a maximum penalty of 30 years in prison. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia; Kareem A. Carter, IRS Criminal Investigation Acting Special Agent in Charge of the Washington D.C. Field Office; and Troy W. Springer, Acting Special Agent in Charge of the National Capital Region, U.S. Department of Labor - Office of Inspector General, made the announcement after Senior U.S. District Judge John A. Gibney, Jr. accepted the plea.

Assistant U.S. Attorneys Kashan K. Pathan and Mike Gill are prosecuting the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 3:23-cr-45.

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