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Phenix City Resident and Ringleader of Multi-Million Dollar Stolen Identity Tax Refund Fraud Schemes Sentenced to Prison

Montgomery, Alabama – A Phenix City, Alabama, resident was sentenced today to 30 years in prison for his role in masterminding multiple stolen identity refund fraud (SIRF) schemes, announced U.S. Attorney Louis V. Franklin, Sr. of the Middle District of Alabama, and Principal Deputy Assistant Attorney General Richard E. Zuckerman of the Justice Department's Tax Division.

William Anthony Gosha III, a/k/a Boo Boo, was convicted, following a jury trial in November 2017, of one count of conspiracy, 22 counts of mail fraud, three counts of wire fraud, and 25 counts of aggravated identity theft.

According to the evidence presented at trial and sentencing, between November 2010 and December 2013, Gosha ran a large-scale identity theft ring with his co-conspirators, Tracy Mitchell, Keshia Lanier, and Tamika Floyd, who were all previously convicted and sentenced to prison. Together they filed over 8,800 tax returns with the Internal Revenue Service (IRS) that sought more than \$22 million in fraudulent refunds of which the IRS paid out approximately \$9 million.

In November 2010, Gosha stole IDs of inmates from the Alabama Department of Corrections and provided the IDs to Lanier who used the information to seek fraudulent tax refunds. Gosha and Lanier agreed to split the proceeds. Gosha also stole employee records from a company previously located in Columbus, Georgia. In 2012, Lanier needed an additional source of stolen IDs and approached Floyd, who worked at two Alabama state agencies in Opelika, Alabama: the Department of Public Health and the Department of Human Resources. In both positions, Floyd had access to the personal identifying information of individuals, including teenagers. Lanier requested that Floyd primarily provide her with identities that belonged to sixteen and seventeen year-olds. Floyd agreed and provided thousands of names to Lanier and others at Lanier's direction.

After receiving the additional stolen IDs, Gosha recruited Mitchell and her family to help file the fraudulent tax returns. Mitchell worked at a hospital located at Fort Benning, Georgia, where she had access to the personal identification information of military personnel, including soldiers who were deployed to Afghanistan. She stole soldiers' IDs and used their information to file fraudulent returns.

In order to electronically file the fraudulent returns, Gosha, Lanier, and their co-conspirators applied for several Electronic Filing Identification Numbers (EFIN) with the IRS in the names of sham tax preparation businesses. Gosha, Lanier, and their co-conspirators then used these EFINs to file the returns and obtain tax refund related bank products from various financial institutions, which provided them with blank check stock. Gosha and his co-conspirators initially printed out the fraudulently obtained refund checks using the blank check stock.

However, the financial institutions halted Gosha's and his co-conspirators' ability to print checks. As a result, they recruited U.S. Postal employees who provided Gosha and others with addresses on their routes to which the fraudulent refund checks could be directly mailed. In exchange for cash, these postal employees intercepted the refund checks and provided them to Gosha, Lanier, Mitchell

and others. Gosha also directed tax refunds to prepaid debit cards and had those cards sent to addresses he controlled.

In addition, between January 2010 and December 2013, Gosha participated in a separate SIRF scheme with Pamela Smith and others, in which Gosha sold the IDs that he had stolen from the Alabama Department of Corrections to Smith and others. Smith and others used the IDs to file returns that sought approximately \$4.8 million in fraudulent refunds of which the IRS paid out approximately \$1.85 million. Smith also has been convicted and sentenced to prison for this conduct.

At Gosha's sentencing, the government offered victim impact statements from several individuals whose identities were stolen, and from companies and governmental agencies where the identity theft breaches occurred. An Alabama Department of Public Health representative noted, the identity theft was not only devastating financially, but it also had a chilling effect on the department's ability to serve the residents of the State of Alabama. A mother of a young U.S. Army soldier who was an identity theft victim described the consequences of the fraud on her and her family, stating:

While [my son] was fighting for our country and all back home, I received a very disturbing phone call from [an] Agent from the IRS that my son, while at Ft. Benning training to defend our country, the land of the free, had his identity stolen and fraudulent tax returns were filed with his social security number. This news was devastating to think that my 19-year-old son, who was defending the very freedom this country stands [for], was wronged by one of those people [he] was willing to die for. My whole family could not believe what was happening. We now had to worry about this terrible act by one of our own. As I tried my best to keep composed and handle all of the gruesome mounds of paperwork to get this straightened out with the IRS, [my son] was then denied his tax refund [as result of this scheme]. This created a financial hardship on [him]. We were too afraid to tell [him] while he was deployed because we did not want to worry him and we wanted him to focus only on getting home alive and not have to worry about such an atrocious act by someone who did not even know [him].

In addition to the term of imprisonment, U.S. Chief District Court Judge Keith Watkins ordered Gosha to serve three years of supervised release and to pay restitution in the amount of \$9,052,049.

Prior to Gosha's sentencing, thirty of his co-conspirators have been sentenced, including Keisha Lanier who received 15 years and Tracy Mitchell who received over 13 years.

U.S. Attorney Franklin and Principal Deputy Assistant Attorney General Zuckerman commended special agents of Internal Revenue Service-Criminal Investigation and U.S. Postal Service Office of Inspector General who investigated this case and Trial Attorneys Michael C. Boteler and Gregory P. Bailey of the Tax Division and Assistant U.S. Attorney Jonathan Ross of the Middle District of Alabama, who prosecuted the case.