

Alabama Department of Revenue

News Release
Feb. 13, 2006

Limestone County Woman Pleads Guilty to State Tax Fraud and Evasion Charges

Athens—An Athens woman pleaded guilty Monday in Limestone County Circuit Court to multiple state tax charges filed by the Alabama Department of Revenue.

Rebecca Clinard Riehle, 51, of 26270 Wooley Springs Road, Athens, Ala., pleaded guilty Monday, Feb. 13, 2006, before Limestone County Circuit Judge Robert Baker to seven counts of aiding and assisting in the preparation of fraudulent income tax returns, one count of theft of property, and four counts of tax evasion.

Judge Baker sentenced Riehle to a five-year jail term, suspended with the requirement to wear an ankle-monitoring device for one year, and placed Riehle on probation for three years. As a condition of her probation, Judge Baker ordered Riehle to file all future tax returns accurately and pay all taxes determined to be due on a timely basis. In his order, Judge Baker prohibited Riehle from preparing or aiding in the preparation of any future state or federal income tax return for anyone other than herself.

An investigation by the Alabama Department of Revenue found that over a five-year period dating from 1998-2002, Riehle had prepared false Alabama tax returns for individuals claiming false dependent exemptions and itemized deductions, resulting in her clients receiving larger state income tax refunds than they were legally entitled to receive. Fictitious casualty losses claimed amounted to \$1,363,530. Evidence obtained by the Alabama Department of Revenue investigators showed that in some cases Riehle received the state refund checks for her customers, signed and cashed the checks, and then provided the customers with only a portion of the refund amount.

According to court records, the total tax liability resulting from the state tax charges exceeds \$54,000.

“This case is a prime example of preparer fraud. Taxpayers should choose carefully when hiring a tax preparer and carefully check over their completed returns. Any deductions or items shown on the return that they do not understand should be questioned, and taxpayers should never sign a blank return,” advised State Revenue Commissioner Tom Surtees.

Commenting on the case, Commissioner Surtees commended Limestone County District Attorney Kristi Valls in the prosecution of the Riehle case. “We estimate that preparer fraud costs the state over \$42 million each year in form of unreported taxes, overstated deductions, or fraudulent refund claims. Prosecution and conviction of such tax crimes bring attention front and center to the seriousness of these offenses, and hopefully will deter others from committing similar crimes,” said Surtees.

State income tax revenues are earmarked for the state’s Education Trust Fund (ETF) and are one of the major funding components for the ETF.

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