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Milwaukee's Staten Sisters Receive Total of 90 Felony Charges for Filing Fraudulent Tax Information, Identity Theft

Felony charges are result of DOR's two year investigation; agency blocked \$725,785 in fake claims

Three sisters from the Milwaukee area are facing a total of 90 felony charges for filing fraudulent income tax returns following a two year investigation by the Wisconsin Department of Revenue's (DOR) Criminal Investigation Section. Sharon, Angela and Tawanda Staten are being prosecuted by the Milwaukee County District Attorney's office for being part of a scheme where 2,000 fraudulent tax claims were filed between January 1, 2011 and December 31, 2012. Arrest warrants have been filed against the three Staten sisters.

DOR's Criminal Investigation agents referred the case to the Milwaukee County DA's office in April 2014 following an in-depth investigation that gathered evidence against the Staten sisters. This includes evidence that was gained when DOR's agents executed search warrants against all three on May 31, 2012, which turned up documents, computer files, fingerprints and other evidence that listed hundreds of stolen identities with names, dates of birth, and social security numbers.

"This was a complex, elaborate scam that was difficult to catch at first because the sisters were filing fake claims using information from real people and employers – some were accomplices in the scam, while others were victims," said Secretary Rick Chandler. "Our agents were diligent in collecting evidence to help prove these cases beyond a reasonable doubt and this should be a warning to other fraudsters. If you commit fraud, we are going to pursue criminal action against you. Those unlawful actions hurt not only the victims of the crime, but all taxpayers when fraudsters attempt to steal money from the State that does not belong to them."

The scheme attempted to get a total of \$960,175 in tax refunds, but the agency blocked \$725,785 in fake claims, or more than three quarters of the fake returns, by following the patterns that the Staten sisters and their accomplices used when filing.

Criminal Charges

According to the criminal complaint, **Sharon L. Staten** faces 22 felony counts related to identity theft and fraudulent claims/income tax credit for the crimes she committed between January 1, 2011 and December 31, 2012. When agents executed the search warrant in May 2012, they found 58 prepaid debit cards, mail, personal papers, invoices, and bank records concealed in a plastic bag in a Huggies diaper box. They also found approximately 25 receipts and invoices with her alleged accomplice's name, James Cross, listed on the documents. The notebooks and papers found contained the personal information of 300 people, and had notations as to which returns had been filed in Wisconsin or the IRS, bank routing numbers, prepaid debit card account numbers and account passwords.

Tawanda L. Staten faces 28 felony charges including identity theft, fraudulent claims/income tax credit, and false representation for the alleged crimes she committed between January 1, 2011 and December 31, 2012. Tawanda used fake wage and tax statements to file her refund claims and returns, as well as fake rent certificates to obtain homestead credits. According to the criminal complaint, she often used the identities of inmates incarcerated in the Mississippi prison system. DOR's law enforcement agents found notebooks and scrap papers listing hundreds of stolen identities with names, dates of birth, and social security numbers at Tawanda's residence when the search warrant was executed in May 2012. Agents also found fingerprint evidence, computer files and prepaid debit cards that matched the fraudulent returns.

According to the criminal complaint, **Angela L. Staten** faces 40 felony charges for identity theft, fraudulent claims/income tax credit and false representation for crimes committed between 2010 and 2012. Angela's accomplice, Anthony A. Coleman was incarcerated at Fox Lake Correctional Institute. In recorded calls on the prisoner telephone system, Coleman and Angela discussed using inmates' identities to file fake income tax returns. Staten told inmates she would help file their tax returns, and Coleman provided fellow inmate names and social security numbers. The Fox Lake Correction Institution provided this information to DOR, and this tip helped agents with their investigation.

In November 2012, East Troy Police arrested Angela and Coleman during a traffic stop. Police found handwritten notes in Staten's purse which included personal information of three prisoners, as well as a fake income tax return in her own name.

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