



# Department of Justice

United States Attorney James R. Dedrick

Eastern District of Tennessee

**FOR IMMEDIATE RELEASE THURSDAY, FEBRUARY 14, 2008**

## **KINGSPORT WOMAN INDICTED FOR PREPARING FALSE TAX RETURNS**

### *Tax Return Preparer Also Charged With Obstructing IRS*

**[GREENEVILLE, TENNESSEE]— DONNA K. BLESSING, also known as DONNA BLESSING REES and DONNA BLESSING BORTZ, age 48, of Kingsport, Tennessee, appeared in United States District Court in Greeneville, Tennessee, today before United States Magistrate Judge Dennis H. Inman, after having been indicted by the federal grand jury earlier this week for aiding and assisting the preparation of false income tax returns and corruptly obstructing and impeding the Internal Revenue Service. Blessing entered a plea of not guilty to the indictment, and trial was set for April 16, 2008, before the Honorable Ronnie Greer, United States District Judge in Greeneville. Blessing was released on bond to return for a final pretrial conference and motion hearing on March 17, 2008.**

**The indictment alleges that Blessing, doing business as B&B Tax Service, a Kingsport tax return preparation service, aided and assisted in the preparation of at least twenty-two false and fraudulent individual income tax returns for the tax years 2003 and 2004. Blessing falsified itemized deductions, business expenses, and business profits and losses on returns which she prepared.**

**Blessing is also charged with corruptly obstructing and impeding the IRS. After her clients were notified their returns were being audited, the indictment charges that Blessing directed clients to create false documents to substantiate the fraudulent deductions, expenses and income on the returns which Blessing had prepared. Blessing is also charged with providing false and fraudulent documents to IRS employees during the civil audits.**

**"Unscrupulous return preparers cheat all honest taxpayers and tax advisers who play by the rules," said James R. "Russ" Dedrick, U.S. Attorney for the Eastern District of Tennessee. "Shutting down fraudulent tax schemes is a high priority for the Justice Department and the Internal Revenue Service."**

**Blessing was indicted in January 2008 on separate charges she defrauded two local banks in connection with a fraudulent loan application and a forged check in early**

**2000. Trial on that indictment is currently scheduled for March 13, 2008, before U.S. District Judge Ronnie Greer in Greeneville.**

**The maximum statutory penalty for each count of aiding and assisting in the preparation of a false tax return in violation of 26 U.S.C. § 7206(2) is three years imprisonment and a fine of \$100,000. The maximum statutory penalty for obstructing and impeding the administration of the Internal Revenue laws in violation of 26 U.S.C. § 7212(a) is three years in prison and a fine of \$250,000. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.**

**U.S. Attorney Dedrick and and Scott Hogue, Acting Special Agent in Charge IRS-Criminal Investigation, remind taxpayers that they are responsible for the accuracy of all entries made on their tax returns, which include related schedules, forms and supporting documents. This remains true whether the return is prepared by the taxpayer or by a return preparer. The IRS Criminal Investigation suggests the following helpful hints for choosing a return preparer to ensure you don't hire an abusive return preparer:**

- \* Be cautious of tax preparers who claim they can obtain larger refunds than other preparers.**
- \* Avoid preparers who base their fee on a percentage of the amount of the refund.**
- \* Use a reputable tax professional who signs your tax return and provides you with a copy for your records.**
- \* Review your return before you sign it and ask questions on entries you don't understand.**
- \* No matter who prepares your tax return, you, the taxpayer, are ultimately responsible for all of the information on your tax return. Therefore, never sign a blank tax form.**
- \* Find out the person's credentials. Only attorneys, certified public accountants (CPAs) and enrolled agents can represent taxpayers before the IRS in all matters including audits, collection and appeals. Other return preparers may only represent taxpayers for audits of returns they actually prepared.**
- \* Find out if the preparer is affiliated with a professional organization that provides its members with continuing education and resources and holds them to**

**a code of ethics.**

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**Ask questions. Do you know anyone who has used the tax professional? Were they satisfied with the service they received?**

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**Further, tax evasion is a serious crime, a felony, punishable by five years imprisonment and a \$250,000 fine.**

**The public is reminded that that indictments contain only charges. A defendant is presumed innocent of the charges and it is the government's burden to prove a defendant's guilt beyond a reasonable doubt at trial.**

**The case was investigated by the Internal Revenue Service - Criminal Investigation and is being prosecuted by Assistant U.S. Attorney Neil Smith.**

**For additional information regarding this case, contact U.S. Attorney James R. Dedrick, 865-5454167, AUSA Neil Smith, 423-639-6759, or Public Information Officer, Sharry Dedman-Beard, 865-5454167.**