



STATE OF NEW MEXICO
Taxation and Revenue Department
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DIVISIONS

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Property Tax
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Revenue Processing
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Tax Fraud Investigations
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Albuquerque Tax Preparer Accused of Filing Hundreds of False Personal Income Tax Returns That Cost New Mexico Cooffers Nearly \$150,000

ALBUQUERQUE – State tax agents today executed a search warrant against an Albuquerque tax preparer who is accused of filing hundreds of false personal income tax returns that cost New Mexico taxpayers nearly \$150,000 in refunds.

Investigators for the New Mexico Taxation and Revenue Department seized computer hard drives, thumb drives, documents and other items from Flora's Tax and Account Services, 1409 Glorieta St. NE, in Albuquerque. The businesses is owned and operated by Flora Mascarenas from her residence.

Mascarenas, 51, has not been arrested or charged with any crime as this case will be referred to the Second Judicial District Attorney's Office in Albuquerque. Investigators suspect Mascarenas conspired with several individuals in this fraud.

Tax Fraud Investigations Division has thus far identified a total of 445 New Mexico personal income tax returns filed between Jan. 17 through May 16, 2012 for the tax year 2011. The total amount of refunds requested for the 445 returns adds up to \$150,015. A majority of that money was claimed as investigators are in the process of determining who actually received the refund.

All 445 returns were filed electronically and no tax preparer information was listed on any of the returns filed. Nine different addresses in the Albuquerque area were repeatedly used as the taxpayer address for New Mexico personal income tax returns filed by Mascarenas for the tax year 2011; one of the nine addresses used is Mascarenas' known residence and place of business in Albuquerque.

Multiple refund checks have been mailed to each of the nine addresses. The results of the investigation disclose that Mascarenas is allegedly part of a conspiracy that is stealing identities, filing false New Mexico personal income tax returns, and receiving false income tax refunds.

The investigation is being conducted by the New Mexico Taxation and Revenue Department's Tax Fraud Investigations Division. To report tax fraud, individuals can call the Tax Fraud Hotline at 1-866-457-6789.