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NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**PATERSON MAN PLEADS GUILTY TO STEALING \$210,000 BY FILING FALSE
CLAIMS FOR STATE TAX REFUNDS AND HOMESTEAD REBATES**

TRENTON – Attorney General Stuart Rabner and Criminal Justice Director Gregory A. Paw announced that a Paterson man pleaded guilty today to stealing \$210,035 by fraudulently obtaining and cashing hundreds of New Jersey tax refund checks and homestead rebate checks.

According to Director Paw, Mack Barden, 58, of Paterson, pleaded guilty to a charge of second-degree theft by deception. That charge was contained in a state grand jury indictment obtained by the Division of Criminal Justice in July 2006. As part of the plea agreement, Barden agreed to pay full restitution to the New Jersey Division of Taxation. Second-degree crimes carry a maximum sentence of 10 years in state prison.

An investigation by the Division of Taxation revealed that Barden, a truck driver who earned additional income by preparing tax returns, submitted hundreds of fraudulent New Jersey gross income tax returns and homestead rebate applications between 1997 and 2005 using false names and social security numbers. Barden submitted altered W-2 forms with the tax returns, including forms from his tax preparation clients.

In pleading guilty, Barden admitted that he obtained and cashed 418 state tax refund checks totaling \$197,837 and 120 state homestead rebate checks totaling \$12,198. The Division of Taxation uncovered the scheme after noticing numerous refund checks being mailed to the same post office box addresses leased by Barden. Barden cashed the checks against his personal bank accounts or through independent check cashing agencies.

“By altering genuine W-2 forms and attaching them to new tax returns, this defendant thought he could print money,” said Attorney General Rabner. “But now it’s his turn to pay.”

"With this year's tax season upon us, it is important that people know that we are vigilant in our enforcement of New Jersey's tax laws," said acting Division of Taxation Director Maureen Adams. "This guilty plea shows the effect of our joint efforts on behalf of New Jersey taxpayers."

The case was prosecuted by Deputy Attorney General Denise Grugan. The investigation was conducted by Auditor Lee Roach of the Division of Taxation - Office of Criminal Investigation.

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