



OFFICE OF THE ATTORNEY GENERAL
DIVISION OF CRIMINAL JUSTICE NEWS



NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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For Immediate Release:
March 29, 2007

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**CLIFTON COUPLE INDICTED FOR ALLEGEDLY STEALING MORE THAN \$16,000
FROM STATE OF NEW JERSEY BY FILING FRAUDULENT TAX RETURNS**
Woman has pleaded guilty twice before to filing false returns

TRENTON – Attorney General Stuart Rabner and Criminal Justice Director Gregory A. Paw announced that a Clifton woman and her boyfriend have been indicted on charges they stole more than \$16,000 by filing fraudulent state tax returns. At the time of the alleged conduct, the woman was on parole from state prison in connection with a prior fraud conviction involving more than 1,400 false state tax returns.

According to Paw, Rosa M. Castro, 51, and her boyfriend, Rafael E. Ramos, 50, were arrested yesterday morning at their residence in the 200 block of Vernon Avenue in Clifton by investigators from the Division of Criminal Justice - Major Crimes Bureau. They were indicted Monday by a state grand jury on third-degree charges of theft by deception, money laundering and conspiracy.

It is alleged that Castro and Ramos filed 46 fraudulent New Jersey gross income tax returns between March and December 2006. They allegedly received 22 refund checks from the Division of Taxation totaling \$15,209 and four homestead rebate checks totaling \$865. They allegedly deposited the checks in Ramos' name into two bank accounts he maintained.

The fraudulent returns were uncovered through an audit by the Division of Taxation. Castro, who offered tax return preparation services to others, allegedly used the names of 13 different clients, without their permission, to prepare the fraudulent returns, which pertained to tax years 2000 through 2005. All of the returns listed the defendants' home address.

“This woman has already pleaded guilty twice for filing false tax returns and, in fact, was out on parole from a five-year state prison sentence for such conduct when she is alleged to have returned to her old tricks,” said Attorney General Rabner. “This is strike three for her.”

“This is an example of our efforts to be vigilant when it comes to enforcing our tax laws,” said Maureen Adams, the acting director of the Division of Taxation. “We will continue to do all that we can to ensure that taxpayers file appropriately and that refunds are delivered only to those who legitimately are entitled to receive them.”

Castro pleaded guilty in 2002 to a federal charge of aiding in the preparation of a false federal income tax return and received three years probation. In June 2004, she pleaded guilty to a second-degree charge of theft by deception brought by the Division of Criminal Justice for filing 1,448 fraudulent tax returns with the State of New Jersey. She was sentenced to five years in state prison but was released on parole in October 2005.

“Through its vigilant auditing, the Division of Taxation regularly brings us investigations of this type,” said Director Paw. “We will continue to work with the Division of Taxation to prosecute these crimes, which impose a cost on all honest New Jersey taxpayers.”

Attorney General Rabner credited Auditor Lee Roach of the Division of Taxation - Office of Criminal Investigation and State Investigator John Neggia of the Division of Criminal Justice - Major Crimes Bureau for leading the investigation. The case is being handled for the Attorney General by Deputy Attorney General Denise Grugan. The arrest team was led by Supervising State Investigator James MacInnes and included Neggia and State Investigators Kimberly Allen, Martin Farrell, Raymond Gardner and Eric Ludwick.

The defendants are being held in the Passaic County Jail in Paterson in lieu of bail. Superior Court Judge Marilyn C. Clark set bail for Castro at \$200,000 during a bail hearing this afternoon. In a separate hearing, Superior Court Judge George F. Rohde Jr., set bail for Ramos at \$50,000. Both defendants are scheduled to be arraigned Monday at 9 a.m. before Judge Clark.

Third-degree crimes carry a sentence of up to five years in state prison and a criminal fine of up to \$15,000. The indictment was handed up to Superior Court Judge Maria Marinari Sypek in Mercer County. The case was assigned to Passaic County.

The charges are merely accusations and the defendants are presumed innocent until proven guilty.

A copy of the indictment is linked to this release at www.njpublicsafety.com.

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