



Hernando County Sheriff's Office

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Media Release

From: Denise M. Moloney
Public Information Officer, 352-797-3609

Re: Tampa Bay Area Identity Theft Alliance Conducts a Search on Tax Preparer

Date: April 4, 2014

On 04-03-14, police agencies associated with the **Tampa Bay Area Identity Theft Alliance** conducted a search on the tax preparation business known as Rapid Tax 1, LLC located at 12639 US Highway 19 in Hudson, Florida. Agencies participating in the search included the Hernando County Sheriff's Office, Pasco County Sheriff's Office, Brooksville Police Department, and the Internal Revenue Service.

Rapid Tax 1 is owned and operated by Alexander Baraz, LLC. Baraz owns a total of seven such businesses in the Tampa Bay area, and there are a minimum of twenty-seven other franchised offices throughout the state of Florida.

Alexander Baraz was identified in 2013 as a principle suspect in the filing of fraudulent federal tax returns in Hernando County under the business name of LBS Tax Services which was located at 10546 Spring Hill Drive in Spring Hill, FL. The Hernando County Sheriff's Office executed a state search warrant against that business in February, 2013, and the business was shut down. Baraz moved his businesses to Pasco and Hillsborough counties in time for the 2014 filing season, performing the same criminal activity through a different business name.

Citizen complaints filed with the Hernando County Sheriff's Office since early 2013 alleged illegal activity was committed at Baraz's tax preparing locations. Their complaints alleged that they were being over charged for services and/or not receiving a complete copy of their final income tax return. The investigation revealed that this activity consisted of falsified IRS forms Schedules A and C, thus altering the tax payers adjusted gross income to make them eligible for the "Earned Income Credit." Complaints also allege that Baraz makes his money by the number of IRS forms used during the filing. This allows Baraz to charge the taxpayer as much as \$600 for the filing of the tax return. Taxpayers are asked to sign highlighted areas on the return and are not shown the attached schedules. Taxpayers are unaware of

the falsified documents and the exorbitant fees charged to them, because they do not receive copies of the tax return.

It is important to know that, as a taxpayer, when a person signs a federal tax return, he/she is declaring under the penalty of perjury that he/she has examined the return and the accompanying schedules and statements, and to the best of his/her knowledge and belief, they are true, correct, and complete.

The Internal Revenue Service was instrumental in the creation of the Tampa Bay Area Identity Theft Alliance, which was established to assist in the exchange of information with local jurisdictions, and the prosecution of criminals involved in identity theft involving tax fraud. After only one year in existence, the alliance was recognized as the Task Force of the Year in 2013 by the International Association of Financial Crimes Investigators which is a worldwide organization.

If you feel you are a victim, or have information pertaining to Alexander Baraz or Rapid Tax 1, please contact Detective Bill Horvath at the Hernando County Sheriff's Office - 352-754-6830.