

Alabama Department of Revenue

News Release
March 28, 2006

Birmingham Tax Preparer Arrested on State Tax Charges

Montgomery—Paul Childress, 59, of 108 Wind View Trace, Birmingham, Ala., was arrested March 21, 2006, on 11 counts of submitting fraudulent returns or other documents to the Alabama Department of Revenue. Childress has been released on a \$500 bond.

Childress, a part-time tax preparer, is accused of providing fraudulent documentation to the Alabama Department of Revenue in efforts to substantiate tax deductions claimed by clients on 10 Alabama individual income tax returns. Childress is also accused of preparing fraudulent documentation for his personal income tax return. The audits of these returns revealed false and altered documentation prepared and submitted to the department by Childress and his clients. Some of the documents submitted by Childress on his clients' behalf were identical, with the only difference being the names of the taxpayers.

The tax periods involved cover 2001, 2002, and 2003. If convicted on all charges, Childress faces possible sentencing of one year in jail, and/or a fine of \$10,000 for each of the 11 counts, totaling a maximum of 11 years in jail, and/or \$110,000 in fines.

A court hearing has been set in Jefferson County District Court on April 11, 2006, at 9 a.m., with Judge Robert G. Cahill presiding.

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