



[News Room \(http://www.ice.gov/news/\)](http://www.ice.gov/news/) » [Recent Releases \(http://www.ice.gov/news/releases/\)](http://www.ice.gov/news/releases/)

News Releases

SEPTEMBER 1, 2011 LOS ANGELES, CA

Los Angeles tax preparer sentenced to more than 5 years in federal prison for visa and tax fraud scheme

LOS ANGELES — A tax preparer who admitted orchestrating a multi-faceted fraud scheme that included filing false tax returns and making false claims to enable aliens to obtain religious worker visas has been sentenced to 63 months in federal prison.

Samuel Klein, 60, a resident of the Hancock Park district of Los Angeles who owned a business called Smartax, was remanded into custody after being sentenced Wednesday afternoon by United States District Judge R. Gary Klausner.

Klein's wife, Zipora Klein, 59, was also sentenced yesterday, receiving a prison term of 27 months. Judge Klausner, who also remanded Zipora Klein into custody, ordered the couple to pay more than \$765,000 in restitution.

This week's sentencing is the culmination of an investigation by U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), IRS – Criminal Investigation, and the U.S. Department of Education. The probe revealed that Samuel Klein filed fraudulent visa applications on behalf of clients, falsely claiming they were religious workers wanted for employment by New York religious institutions.

In January, in the midst of a trial, Samuel Klein pleaded guilty to three charges – visa fraud, filing a fraudulent tax return, and making a false statement in a financial aid application to the Department of Education. Zipora Klein pleaded guilty to one count of filing a fraudulent tax return.

According to court documents, Samuel Klein filed bogus petitions for religious worker visas under the names of synagogues or Jewish community groups, claiming the religious institutions needed his clients as religious workers. In another case detailed in court documents, Samuel Klein submitted a visa application claiming an alien was needed to work for a New York company when, in truth, the alien had no plans to work for the company and did not have the qualifications claimed on the petition.

"As this sentence makes clear, individuals who undermine the integrity of our nation's legal immigration system for their own enrichment face serious consequences," said Claude Arnold, special agent in charge for ICE HSI in Los Angeles. "America's immigration system can't be bought and sold. Homeland Security Investigations will move aggressively against unscrupulous opportunists who seek to seek to do so."

In addition to the visa fraud scheme, the Kleins filed false tax returns with the Internal Revenue Service that substantially understated their income. Judge Klausner found that, from 2003 to 2006, the Kleins understated their income by more than \$2 million, which caused the IRS and California Franchise Tax Board to suffer losses that totaled more than \$757,000.

"Every honest hardworking American taxpayer should be offended by elaborate scams and tax schemes, such as those perpetrated by Samuel Klein," said Joel Garland, acting special agent in charge for the IRS-Criminal Investigation, Los Angeles Field Office. "The IRS uses every lawful tool to identify and prosecute those who use elaborate schemes to cheat the tax system."

The count involving making false statements to the Department of Education stems from an application Samuel Klein filed in 2006 seeking federal financial aid.

You may also visit us on [Facebook](http://www.ice.gov/exec/leaving.asp?url=http://www.facebook.com/wwicegov) (<http://www.ice.gov/exec/leaving.asp?url=http://www.facebook.com/wwicegov>) , [Twitter](http://www.ice.gov/exec/leaving.asp?url=http://twitter.com/wwicegov) (<http://www.ice.gov/exec/leaving.asp?url=http://twitter.com/wwicegov>) and [YouTube](http://www.ice.gov/exec/leaving.asp?url=http://www.youtube.com/wwicegov) (<http://www.ice.gov/exec/leaving.asp?url=http://www.youtube.com/wwicegov>) , or access this news release on your [mobile device](#).

U.S. Immigration and Customs Enforcement (ICE) is the largest investigative arm of the Department of Homeland Security.

ICE is a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities. For more information, visit www.ICE.gov. To report suspicious activity, call 1-866-347-2423.