

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

FILED

DEC 16 2009

CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
BY _____
DEPUTY CLERK

UNITED STATES OF AMERICA

v.

WILLIAM MURRAY

CRIMINAL COMPLAINT

1020 Wilhaggin Park Lane, Sacramento, CA 95864

CASE NUMBER: 2:09mj0362 EFB

(Name and Address of Defendant)

I, the undersigned complainant state that the following is true and correct to the best of my knowledge and belief. On or about **November 23, 2009** in **Sacramento County**, in the Eastern District of California defendant(s) did, (Track Statutory Language of Offense)

- ▶ **having devised and intended to devise a scheme and artifice to defraud, and for obtaining money by false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice and attempting to do so, knowingly cause to be delivered by mail according to the direction thereon, mail,**

in violation of Title **18**, United States Code, Section(s) **1341**. I further state that I am a(n) Special Agent of TIGTA and that this complaint is based on the following facts:

- ▶ **See attached**

Continued on the attached sheet and made a part of this complaint:

Signature of Complainant SA Brian Goold
Treasury I.G. for Tax Administration

Sworn to before me, and signed in my presence
December 16, 2009

at Sacramento, CA

Date

City

State

HON. EDMUND F. BRENNAN, U.S. Magistrate Judge

Name of Judge

Title of Judge

Signature of Judge

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Brian Goold, being duly sworn, hereby state the following. I have been a Special Agent with the United States Treasury Inspector General for Tax Administration--Office of Investigations (TIGTA-OI) since May 1998. The TIGTA is the present entity formerly known as Internal Revenue Service, Internal Security--Office of Inspection. I am presently assigned to the Sacramento, CA office in the San Francisco Field Division. My duties include investigation of federal criminal violations. My education includes a Bachelors Degree in Business Management. As a Special Agent, I attended approximately 16 weeks of Special Agent training at the Federal Law Enforcement Training Center (FLETC) Glynco, GA studying various aspects of criminal investigation dealing specifically with criminal law, wire/mail fraud, and various financial investigative techniques. During my employment as a Special Agent, I have attended Continuing Professional Education (CPE) and numerous FLETC courses in financial investigative techniques and various aspects of criminal investigation, dealing specifically with wire, mail and refund fraud; unauthorized access to federal computer systems, Internet fraud and other financial investigations.

In the course of my employment with TIGTA, I have conducted or been involved in numerous criminal investigations including: Theft (18 USC § 641); Identity theft/fraud (18 USC § 1028); Wire fraud (18 USC § 1343); Mail fraud (18 USC § 1341); Conspiring to defraud the United States with respect to claims (18 USC § 286); false or fraudulent claims (18 USC § 287); Conspiracy (18 USC § 371); Fraud and related activity in connection with computers (18 USC § 1030); Unauthorized Access (26 USC § 7213A); Unauthorized disclosure of information (26 USC § 7213); and Disclosure or use of information by preparers of returns (26 USC § 7216).

I make this affidavit in support of a criminal complaint and arrest warrant for:

WILLIAM RUSSELL MURRAY

Date of Birth: March 24, 1954;

Address: 1020 Wilhaggin Park Lane Sacramento, CA 95864.

The statements contained in this affidavit are based on information provided by Internal Revenue Service (IRS) employees, review of IRS records, review of bank records, interviews of victims, and my own investigation and knowledge.

I believe that William Murray stole over \$8.5 million dollars from numerous clients. Murray, owner of a tax preparation services business known as Murray & Company, made these clients believe that he (Murray) was to pay their federal and state taxes via Murray's "trust account" account or invest in financial products that did not exist. Because this scheme to defraud caused reasonably foreseeable mailings in its furtherance, there is probable cause to believe that Murray committed mail fraud (18 USC § 1341).

In January 2009, Dr. David M. revealed to the affiant that he gave Murray several personal checks, made payable to Murray & Company, to pay his 2005, 2006, and

2007 federal and state taxes. Murray offered to make these financial transactions as a service to Dr. M. Murray deposited Dr. M.'s checks into a Bank of the West checking account that Murray often referred to as his "trust account". A review of IRS records indicated that Murray did not make the payments as promised and Dr. M.'s IRS accounts had been assigned to the collections department of the respective agencies. The IRS garnished the bank account of Dr. M. Murray told Dr. M. that he contacted the IRS to resolve the bank levy and reported that the IRS had misplaced the payments. Unbeknownst to Dr. M., Murray submitted to the IRS a cashier's check to pay Dr.M.'s delinquent taxes in an effort to conceal his theft.

A further review of Murray's business bank records indicated that from January 2005 to February 2009, Murray caused more than 50 clients' tax payments totaling more than \$6.8 million dollars to be deposited into the "trust account". A review of IRS records associated with several of these clients revealed that a corresponding payment was not made to the respective clients' tax account. In interviews, these affected clients revealed that Murray offered to pay their taxes via his "trust account" and were unaware the payments were not made and/or they had contacted Murray regarding the collection letters they were receiving from the IRS without resolution. Murray consistently blamed the IRS for losing or posting the payments to the wrong accounts.

Patricia W., a client, provided Murray the following payments with accompanying notes stating the purpose of the checks was for payment of taxes.

| Date | Client | Amount | Purpose |
|-------------|---------------|---------------|----------------|
| 1/26/2005 | Patricia W. | \$10,000.00 | Quarterly |
| 4/22/2005 | Patricia W. | \$259,356.00 | 2004 |
| 5/27/2005 | Patricia W. | \$59,782.00 | |
| 6/22/2005 | Patricia W. | \$10,000.00 | Quarterly |
| 8/12/2005 | Patricia W. | \$50,000.00 | |
| 10/3/2005 | Patricia W. | \$10,000.00 | July |
| 10/16/2008 | Patricia W. | \$593.00 | State taxes |
| 4/15/2008 | Patricia W. | \$3,345.00 | 2007 taxes |

In total, Patricia W. paid Murray \$403,076.00. She reported that Murray offered to pay her tax liabilities through his "trust account" as a service to her. A review of IRS records revealed that from January 2005 to November 2009, only \$74,623.94 in tax payments have posted to W.'s account causing W.'s tax account to go into collections with the IRS. On or about November 23, 2009, the IRS mailed a Notice of Levy (Garnishment) to W. W. was unaware that her tax account was assigned to the IRS' collection department as Murray caused the IRS to mail its correspondence to his office located on 3620 Fair Oaks Blvd in Sacramento, CA. Based on my understanding of the scheme, I believe that it was essential for Murray to direct IRS to mail correspondence to Murray instead of to W., as otherwise W. would otherwise have learned that her payments were not going to IRS.

From July 2000 to January 2009, Ed & Nancy P. paid to US Financial Services and/or

Murray \$870,294.00. Murray told the P.'s that the money was to be issued as loans to other, well-established clients of Murray's tax practice. Since their initial deposits and following their other deposits to US Financial Services and/or Murray, Murray consistently paid the P.'s a monthly interest accrual payment but since September 2009 Murray has either paid late or bounced payments. Murray failed to make the November 2009 payment. The P.'s made each payment to US Financial Services and/or Murray by wire or personal check.

On or about May 21, 2009, Murray sent via electronic mail an Account Statement for the P.s' investment balances as proof/documentation to Wells Fargo Bank and/or its affiliate HomeServices Lending LLC of their existing financial assets with US Financial Services so that the P.'s would qualify for a \$340,000 loan for a residence. The loan was funded in June 2009. In these statements, Murray declared that the P.'s investments were worth \$1,086,003.20. At the time of the loan, Wells Fargo Bank was a bank insured by the Federal Deposit Insurance Corporation.

In a non-custodial, unimmunized interview, Murray provided a spreadsheet—which he said was incomplete—which indicated that from January 2005 to November 2009 he deposited over \$6.5 million dollars of client tax payments to his "trust account" of which he only paid \$376,355 to the IRS and/or state taxing authorities on behalf of his clients.

In that interview, Murray also admitted to another lie he told clients. He said that he told them to invest in a financial services entity he called US Financial Services. It was bogus. Using this story, Murray fraudulently obtained over \$2,023,674 from clients who intended to invest with him. He communicated with clients regarding their tax payments, the fictitious financial products, and the alleged resolution of their delinquent tax accounts via electronic messages using his account known as Bill@april15.com; telephone; facsimile; and in-person meetings. He instructed clients to have their respective financial institution wire funds to his "trust account" at Bank of the West.

Murray's business offices, residences, and bank account are all located in the Sacramento, CA area.

Murray admitted in the non-custodial interview that the above-cited monies were used to support an extravagant lifestyle of fine dining, travel, entertainment, attendance at professional sports events, to support the acquisition and maintenance of three residential properties, and the establishment and maintenance of a 10 vehicle fleet limousine service known as Luxury Limousine.

Murray has purported to cooperate with investigators in locating assets that might be seized and forfeited for restitution. He has surrendered his United States passport to your affiant. Still, investigators are continuing to investigate the full extent of Mr. Murray's activities, and are somewhat puzzled at how little money appears to be left from what Mr. Murray stole.

Mr. Murray gambled and spent very substantial sums on Luxury Limousine, his

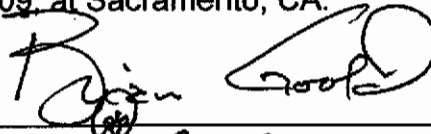
residences, and his lifestyle. It is possible that Mr. Murray has been complete in his disclosures, but it is also possible that substantial undisclosed funds remain available to him even now. Your affiant cannot say for certain. For this reason, the United States Attorney's Office has instructed your affiant to seek an arrest warrant so as to protect the Government's interests in evidence, assets, and Mr. Murray's person.

Based on the information contained herein, probable cause exists that William Murray, Date of Birth: March 24, 1954; Address: 1020 Wilhaggin Park Lane Sacramento, CA 95864 committed mail fraud (18 USC § 1341).

Accordingly, for the reasons set forth herein, your affiant requests that this Court issue an arrest warrant for William Murray.

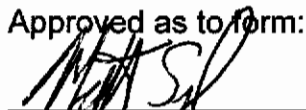
I declare under the penalty of perjury that the forgoing is true and correct to the best of my knowledge and belief.

Executed this 16 of December 2009, at Sacramento, CA.



BRIAN GOODGOLD
Special Agent, TIGTA

Approved as to form:



Matthew D. Segal
Assistant U.S. Attorney

Sworn and subscribed before me on this 16th of December 2009.



HON. EDMUND F. BRENNAN
U.S. Magistrate Judge