

# St. Croix Woman Sentenced to Federal Prison for a Massive Tax Fraud Scheme Perpetrated With Her Mother and Others

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ST. CROIX — Phiona Henry, age 34, was sentenced Thursday by District Court by Judge Wilma Lewis on one count of conspiracy to defraud the United States for her part in a tax fraud scheme, United States Attorney Gretchen C.F. Shappert announced.

Henry received a term of imprisonment of 8 months, 3 years of supervised release, and was ordered to pay a mandatory special assessment fee of \$100.00 along with restitution to the Internal Revenue Service of \$106,382.00.

According to court documents, Phiona Henry, her mother Patricia Henry, and others participated in a scheme to unlawfully obtain money from the United States treasury by fraudulently acquiring

federal income tax refunds during the period from 2010 to 2013. The scheme involved the acquisition of personal identifying information used to electronically file falsified tax returns for tax years 2009 through 2012.

Henry aided others in the filing of tax returns in individuals' true names and actual social security numbers but falsified the individuals' income earned, tax withholding amounts, credits, and other information, and thereby claimed refunds to which they were not entitled, according to court documents. Persons involved in the scheme designated bank accounts for receipt of the refunds, which, once received, they subsequently withdrew.

Henry entered a guilty plea on May 3, 2019. Co-defendant Patricia Henry, age 52, was found guilty of conspiracy to defraud the United States Government after a five-day jury trial which ended on November 17, 2020. Patricia Henry is scheduled to be sentenced May 10, 2021 and faces up to 10 years incarceration.

The prosecution of this fraud scheme is the result of years of investigative work by the Internal Revenue Service-Criminal Investigations, which identified and dismantled a massive stolen identity refund fraud scheme perpetrated in the Virgin Islands and elsewhere.

The case was investigated by the Internal Revenue Service, Criminal Investigations, and is being prosecuted by Assistant U.S. Attorney Melissa Ortiz.