

SOUTH RIVER — A South River tax preparer admitted in federal court today to inflating and fabricating the deductions of clients to lower their taxes.

Regina Santos faces a maximum of three years in prison and a fine of \$250,000, or twice the gross gain or loss from the offense. Sentencing guidelines call for a 15- to 21-month prison term for that offense, although judges are not bound by them, authorities said.

Santos, the owner and operator of One Stop Agency located in the borough, pleaded guilty to knowingly preparing fraudulent tax returns.

From April 2007 through April 2008, Santos prepared tax returns for 40 clients for tax years 2004 through 2007. Those returns included false deductions for medical expenses, gifts to charity and miscellaneous expenses, she acknowledged. The fraudulent returns allowed her customers to get refunds they did not deserve, authorities said.

During her guilty plea before Judge Dickinson Debevoise in U.S. District Court, Newark, Santos admitted that she knew what she was doing was illegal.

Authorities said her scheme led to a loss of approximately \$195,286 in tax receipts. Her attorney, Joseph Benedict of New Brunswick, said Santos has never been in trouble before. "This was a misguided effort to help fellow Portuguese who didn't speak English well," Benedict said.

Source: [mycentraljersey.com](http://mycentraljersey.com)