

# Michigan Man Sentenced in Maryland to Five Years in Federal Prison for Tax-Refund Money Laundering Scheme

Friday, April 25, 2025

For Immediate Release

U.S. Attorney's Office, District of Maryland

**The conspirators used stolen personally identifiable information from identity theft victims located in Maryland**

**Greenbelt, Maryland** – Today, U.S. District Judge Deborah K. Chasanow sentenced Jerome Brown, 42, of Detroit, Michigan, to five years in federal prison for his role in laundering money stolen from federal and North Carolina state-tax refunds. Additionally, Brown was ordered to pay restitution in the amount of \$604,889.64. On January 28, 2022, Brown pled guilty to conspiracy to commit money laundering.

Kelly O. Hayes, U.S. Attorney for the District of Maryland, announced the sentence with Special Agent in Charge Kareem A. Carter, Internal Revenue Service – Criminal Investigation (IRS-CI), Washington, D.C. Field Office; Special Agent in Charge Matt McCool, U.S. Secret Service (USSS) – Washington Field Office; Joseph V. Cuffari, Inspector General for the Department of Homeland Security (DHS-OIG); and Acting Special Agent in Charge Colleen Lawlor, Social Security Administration (SSA-OIG) Office of Inspector General – Philadelphia Field Division.

In his guilty plea, Brown acknowledged that from February through August 2020, he conspired with individuals in Nigeria and Michigan to launder wire-fraud proceeds. The co-conspirators placed the wire-fraud proceeds on Green Dot pre-paid debit cards. Brown laundered the fraudulent funds by depositing them into bank accounts and cashing them out through ATM withdrawals and purchasing money orders and cryptocurrency.

These fraudulent proceeds were comprised of stolen funds from the Internal Revenue Service (IRS) and the North Carolina Department of Revenue (NCDOR). The IRS and NCDOR administer federal and North Carolina state-revenue laws, respectively, and pay “tax refunds” to individuals who are entitled to them under the law. At the time, these funds could be paid onto pre-paid debit cards. Brown and his

co-conspirators regularly cashed out these funds soon after the government agencies added funds to a card.

Through the fraudulent scheme, one of Brown's co-conspirators, who was working from Nigeria, and others, caused funds to be placed on the pre-paid debit cards. The co-conspirators registered the cards with Green Dot using stolen personally identifiable information (PII) from identity theft victims around the country, including in Maryland.

Co-conspirators purchased the pre-paid debit cards in the United States and then sent the associated card information to the co-conspirator in Nigeria to receive the stolen government funds. The co-conspirators aided the fraudulent scheme by using stolen PII to file for false IRS tax refunds. Additionally, the co-conspirators applied for NCDOR tax refunds and state unemployment insurance payments.

The federal and state agencies then deposited the proceeds through ACH transfers directly onto the pre-paid debit cards. After the funds were placed onto the pre-paid debit cards, the co-conspirator in Nigeria informed others, including Brown, that the funds were available on the cards. In exchange for a commission, Brown and the other co-conspirators facilitated the cashing out of the cards and returned the remaining funds to the co-conspirator in Nigeria.

Brown and the other co-conspirators took steps to conceal their identities, the money laundering conspiracy, and scheme to defraud. The co-conspirators attempted to hide the fraudulent scheme by enlisting others to make withdrawals from the cards, withdrawing from multiple locations, converting funds into cash rather than depositing them into bank accounts, and making money orders payable to other individuals.

The defendant cashed out at least approximately \$540,975.80 from pre-paid debit cards as part of the scheme. Brown kept approximately 40 percent of the proceeds, for a total of \$216,390.36, and sent approximately \$324,585.44 in Bitcoin to his co-conspirator in Nigeria. The co-conspirators used the pre-paid debit cards to apply for at least approximately \$1,255,761 in benefits from the IRS and \$588,716 in benefits from the NCDOR.

U.S. Attorney Hayes commended the IRS-CI, USSS, DHS-OIG, SSA-OIG, and U.S. Postal Inspection Service (USPIS) – Detroit Division for their work in the investigation. Ms. Hayes also thanked Assistant U.S. Attorneys Elizabeth Wright and Darren Gardner who prosecuted the federal case.

For more information about the Maryland U.S. Attorney's Office, its priorities, and resources available to help the community, please visit [www.justice.gov/usao-md](http://www.justice.gov/usao-md) and <https://www.justice.gov/usao-md/community-outreach>.

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## **Contact**

Kevin Nash

USAMD.Press@usdoj.gov

410-209-4946

*Updated April 25, 2025*