



AT A GLANCE:

U.S. Code Statutes
For Which
IRS Criminal
Investigation Has
Jurisdiction

Title 26 USC § 7201.

Attempt to evade or defeat tax

Any person who willfully attempts in any manner to evade or defeat any tax imposed by this title or the payment thereof shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof:

- shall be imprisoned not more than 5 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)^[1]
- or both, together with the costs of prosecution.

Title 26 USC § 7202.

Willful failure to collect or pay over tax

Any person required under this title to collect, account for, and pay over any tax imposed by this title who willfully fails to collect or truthfully account for and pay over such tax shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof:

- shall be imprisoned not more than 5 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)^[1]
- or both, together with the costs of prosecution.

Title 26 USC § 7203.

Willful failure to file return, supply information, or pay tax

Any person required under this title to pay any estimated tax or tax, or required by this title or by regulations made under authority thereof to make a return, keep any records, or supply any information, who willfully fails to pay such estimated tax or tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof:

- shall be imprisoned not more than 1 year

- or fined not more than \$100,000 for individuals (\$200,000 for corporations)^[1]
- or both, together with the costs of prosecution.

Title 26 USC § 7205.

Fraudulent withholding exemption certificate or failure to supply information

Withholding on wages. – Any individual required to supply information to his employer under Section 3402 who willfully supplies false or fraudulent information, or who willfully fails to supply information thereunder which would require an increase in the tax to be withheld under Section 3402, shall, in addition to any other penalty provided by law, upon conviction thereof:

- shall be imprisoned not more than 1 year
- or fined not more than \$100,000^[1]
- or both.

Title 26 USC § 7206(1).

Fraud and false statements

Any person who...

(1) Declaration under penalties of perjury.

– Willfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter; shall be guilty of a felony and, upon conviction thereof:

- shall be imprisoned not more than 3 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)^[1]
- or both, together with the costs of prosecution.

Title 26 USC § 7206(2).

Fraud and false statements

Any person who...

(2) Aid or assistance. – Willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any

matter arising under, the Internal Revenue laws, of a return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document; shall be guilty of a felony and, upon conviction thereof:

- shall be imprisoned not more than 3 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)^[1]
- or both, together with the costs of prosecution.

Title 26 USC § 7212A.

Attempts to interfere with administration of Internal Revenue laws

Whoever corruptly or by force endeavors to intimidate or impede any officer or employee of the United States acting in an official capacity under this title, or in any other way corruptly or by force obstructs or impedes, or endeavors to obstruct or impede, the due administration of this title, upon conviction:

- shall be imprisoned not more than 3 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)^[1]
- or both.

Title 18 USC § 287.

False, fictitious, or fraudulent claims

Whoever makes or presents to any person or officer in the civil, military, or naval service of the United States, or to any department or agency thereof, any claim upon or against the United States, or any department or agency thereof, knowing such claim to be false, fictitious, or fraudulent:

- shall be imprisoned not more than 5 years
- or fined not more than \$250,000 (\$500,000 for corporations)
- or both.

Title 18 USC § 286.

Conspiracy to defraud the Government with respect to claims

Whoever enters into any agreement, combination, or conspiracy to defraud the United States, or any department or agency thereof, by obtaining or aiding to obtain the payment or allowance of any false, fictitious, or fraudulent claim:

- shall be imprisoned not more than 10 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)
- or both.

Title 18 USC § 371.

Conspiracy to commit offense or to defraud the United States

If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each:

- shall be imprisoned not more than 5 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)
- or both.

Title 18 USC §510.

Forging Endorsements on Treasury Checks or Bonds or Securities of the United States

Whoever, with intent to defraud:

- falsely makes or forges any endorsement or signature on a Treasury check or bond or security of the United States; or
 - passes, utters, or publishes, or attempts to pass, utter, or publish, any Treasury check or bond or security of the United States bearing a falsely made or forged endorsement or signature:
- - shall be fined under this title or imprisoned not more than ten years, or both.

Whoever, with knowledge that such Treasury

check or bond or security of the United States is stolen or bears a falsely made or forged endorsement or signature buys, sells, exchanges, receives, delivers, retains, or conceals any such Treasury check or bond or security of the United States:

- - shall be fined under this title or imprisoned not more than ten years, or both.

If the face value of the Treasury check or bond or security of the United States or the aggregate face value, if more than one Treasury check or bond or security of the United States, does not exceed \$1,000, in any of the above-mentioned offenses, the penalty shall be a fine under this title or imprisonment for not more than one year, or both.

Title 18 USC § 514.

Fictitious obligations [2]

Whoever, with the intent to defraud

- draws, prints, processes, produces, publishes, or otherwise makes, or attempts or causes the same, within the United States;
- passes, utters, presents, offers, brokers, issues, sells, or attempts or causes the same, or with like intent possesses, within the United States; or
- utilizes interstate or foreign commerce, including the use of the mails or wire, radio, or other electronic communication, to transmit, transport, ship, move, transfer, or attempts or causes the same, to, from, or through the United States, any false or fictitious instrument, document, or other item appearing, representing, security or other financial instrument issued under the authority of the United States, a foreign government, a State or other political subdivision of the United States, or an organization:
 - shall be imprisoned not more than 25 years.

Title 18 USC § 641.

Public money, property or records

Whoever embezzles, steals, purloins, or knowingly converts to his use or the use of another, or without authority, sells, conveys or disposes of

any record, voucher, money, or thing of value of the United States or of any department or agency thereof, or any property made or being made under contract for the United States or any department or agency thereof; or

Whoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled, stolen, purloined or converted:

- - shall be fined under this title or imprisoned not more than ten years, or both; but if the value of such property in the aggregate, combining amounts from all the counts for which the defendant is convicted in a single case, does not exceed the sum of \$1,000, he shall be fined under this title or imprisoned not more than one year, or both.

Title 18 USC § 1001.

Statements or entries generally

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry:

- shall be imprisoned not more than 5 years
- or fined not more than \$250,000 for individuals (\$500,000 for corporations)
- or both.

Title 18 USC § 1028.

Fraud and related activity in connection with identification documents and information

Whoever knowingly transfers or uses, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law, or that

constitutes a felony under any applicable State or local law:

- shall be imprisoned not more than 15 years
- or fined not more than \$250,000
- or both.

Title 18 USC §1028A.

Aggravated Identity Theft

Whoever, during and in relation to a felony violation, knowingly transfers, possesses, or uses, without lawful authority, a means of identification of another person shall, in addition to the punishment provided for such felony:

- - shall be sentenced to a term of imprisonment of 2 years.

Title 18 USC §1029.

Fraud and related activity in connection with access devices

Whoever knowingly and with intent to defraud:

- traffics in or uses one or more unauthorized access devices during any one-year period, and by such conduct obtains anything of value aggregating \$1,000 or more during that period;
- possesses fifteen or more devices which are counterfeit or unauthorized access devices:
- - shall be imprisoned for not more than 10 years and fined.

Whoever knowingly and with intent to defraud effects transactions, with 1 or more access devices issued to another person or persons, to receive payment or any other thing of value during any 1-year period the aggregate value of which is equal to or greater than \$1,000:

- shall be imprisoned for not more than 15 years and fined.

Title 18 USC § 1956.

Laundering of monetary instruments

Whoever, knowing that the property involved in a financial transaction represents the proceeds of some form of unlawful activity, conducts, or attempts to conduct such a financial transaction which in fact involves the proceeds of specified unlawful activity:

(A)

- (1) with the intent to promote the carrying on of specified unlawful activity; or
- (2) with intent to engage in conduct constituting a violation of section 7201 or 7206 of the Internal Revenue Code of 1986; or

(B) knowing that the transaction is designed in whole or in part -

- (1) to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or
- (2) to avoid a transaction reporting requirement under State or Federal law:

- shall be imprisoned not more than 20 years
- or fined not more than \$500,000 or twice the value of the property involved in the transaction, which ever is greater
- or both.

Title 18 USC § 1957.

Engaging in monetary transactions in property derived from specified unlawful activity

Whoever knowingly engages or attempts to engage in a monetary transaction in criminally derived property of a value greater than \$10,000 and is derived from specified unlawful activity:

- shall be imprisoned not more than 10 years
- or fined not more than twice the amount of the criminally derived property involved in the transaction
- or both.

Title 18 USC § 1960.

Prohibition of Unlicensed Money Transmitting Businesses

Whoever knowingly conducts, controls, manages, supervises, directs, or owns all or parts of an unlicensed money transmitting business:

- shall be imprisoned not more than 5 years
- or fined in accordance with this title
- or both.

Title 31 USC § 5324.

Structuring transactions to evade reporting requirement prohibited

(A) Whoever shall for the purpose of evading the reporting requirements:

- (1) cause or attempt to cause a domestic financial institution to fail to file a report required; or
 - (2) cause or attempt to cause a domestic financial institution to file a report that contains a material omission or misstatement of fact; or
 - (3) structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with one or more domestic financial institutions:
- shall be imprisoned not more than 5 years
 - or fined not more than \$250,000 (\$500,000 for corporations)
 - or both.

Title 31 USC § 5332.

Bulk Cash Smuggling Into or Out of the United States

Whoever, with the intent to evade a currency reporting requirement under section 5316, knowingly conceals more than \$10,000 in currency or other monetary instruments on the person of such individual or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer such currency or monetary instruments from a place within the

United States to a place outside of the United States, or from a place outside the United States to a place within the United States, shall be guilty of a currency smuggling offense and subject to punishment of:

- Imprisonment of not more than 5 years
- Forfeiture to the United States, any property, real or personal, involved in the offense, and any property traceable to such property or if the property subject to forfeiture is unavailable, and the defendant has insufficient substitute property that may be forfeited, the court shall enter a personal money judgement against the defendant for the amount that would be subject to forfeiture.

Title 18 USC § 981.

Civil Forfeiture Statute

Title 18 USC § 982.

Criminal Forfeiture Statute

[1] The Criminal Fine Enforcement Act of 1984 enacted 18 USC § 3571, which increased the maximum permissible fines for both misdemeanors and felonies. The fine amounts provided in this guide reflect the impact of 18 USC § 3571.

[2] Title 18 USC § 514 is only used when the criminal activity involves violations relating to Title 26.

Criminal Investigation Mission

Criminal Investigation serves the American public by investigating potential criminal violations of the Internal Revenue Code and related financial crimes in a manner that fosters confidence in the tax system and compliance with the law.

This guide describes the most frequently used federal statutes for which IRS Criminal Investigation has investigative authority. These statutes primarily concern tax and financial-related crimes.

This booklet is not all inclusive of the statutes for which IRS Criminal Investigation has jurisdiction.

All criminal investigations are conducted in adherence to Internal Revenue Code (IRC) §6103 with regard to the confidentiality and disclosure of returns and return information.

