

# ***NEWS RELEASE***

---



## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA***

*San Diego, California*

*United States Attorney  
Laura E. Duffy*

*For Further Information, Contact:*

---

---

*Assistant U.S. Attorney Peter J. Mazza (619) 546-7928*

---

---

*For Immediate Release*

### **SAN DIEGO MAN WHO ALLEGEDLY STOLE IDENTITIES OF DECEASED CHILDREN CHARGED WITH IDENTITY THEFT, TAX EVASION AND FALSE STATEMENTS TO BANKS**

*Defendant previously charged with passport fraud*

NEWS RELEASE SUMMARY - December 12, 2013

A San Diego man was indicted by a federal grand jury this week on charges that he stole the identities of deceased children and used the names to create multiple financial accounts in order to hide his income from the Internal Revenue Service.

Lloyd Irving Taylor was arraigned in federal court today on a superseding indictment charging sixteen counts of aggravated identity theft (18 U.S.C. § 1028A), false statements to a financial institution (18 U.S.C. § 1014), tax evasion (26 U.S.C. § 7201),

and corruptly endeavoring to impair or impede the IRS (26 U.S.C. § 7212). A federal grand jury returned the superseding indictment on Tuesday. Taylor has been in custody since April 2013, when he was arrested on an indictment charging him with three counts of making false statements on United States passport applications (18 U.S.C. § 1542).

The superseding indictment alleges that Taylor stole the identities of at least nine individuals, many of whom had died at an early age in the 1950s. According to the indictment, Taylor obtained some birth certificates that belonged to the deceased boys, which included their respective names, dates of birth, and parents' names. Taylor used these stolen identities as aliases in furtherance of his criminal activity by obtaining fraudulent passports and other identification documents.

According to the superseding indictment, Taylor then used these fraudulent documents to open and maintain financial accounts and to transfer funds from these accounts to purchase various assets, such as gold coins.

The purchase of gold coins was done, in part, to evade taxes. The indictment further alleges that Taylor opened numerous other financial accounts in the names of fictitious religious institutions that he controlled either in his name or in the name of one of the stolen identities so that he could frustrate attempts by the IRS to determine his tax liability.

According to the superseding indictment, Taylor has earned significant income through securities trading and other investments, although he has not filed or paid any taxes since 2003. As Assistant U.S. Attorney Peter J. Mazza informed the court, law enforcement officials had located some of Taylor's assets and seized approximately \$1.6

million in gold coins from a storage locker controlled by Taylor.

At Taylor's bond hearing in April, 2013, United States Magistrate Judge Barbara L. Major ordered him detained while pending trial based on a number of circumstances, including his international travel on his false passports, the millions of dollars he controlled through dozens of bank accounts, and his numerous false statements to banks in furtherance of his criminal activity.

United States Attorney Laura E. Duffy praised the work of investigators who diligently pieced together the case against Taylor, which was complicated by his extensive efforts to avoid law enforcement scrutiny. Duffy said, "Identity theft is a real threat to our community because of the many ways in which criminals can misuse someone else's identity and because of the damage it causes. Our office remains committed to protecting the sensitive personal information of our citizens."

Anthony J. Orlando, Acting Special Agent in Charge of Internal Revenue Service Criminal Investigation's (IRS CI) Los Angeles Field Office commented, "Lloyd Taylor, a former licensed CPA and lawyer, is alleged to have committed a classic tax evasion scheme by using stolen identities (including identities of deceased young boys and non-existent churches) to open financial accounts, to pay for personal expenses and to purchase assets, all while failing to file federal income tax returns for tax years 2007 and 2008. Today's indictment is another example of IRS CI's commitment to deter tax evasion by identifying, investigating and recommending prosecution of those who violate our nation's tax laws."

"The U.S. Department of State's Diplomatic Security Service is committed to the

protection of the U.S. passport, and the investigation of those who would obtain and use it for illegal gain. DSS is pleased to have contributed the initial charges in this investigation, leading to the arrest and further indictment of Taylor,” said DS Los Angeles Field Office Special Agent-in-Charge Robert Myers.

DEFENDANT      Criminal Case No. 13CR1390-MMA

Lloyd Taylor      Age: 70      San Diego, California

SUMMARY OF CHARGES

**Counts 1-3:**      Title 18, United States Code, Section 1542 – Making a False Statement on a United States Passport Application

*Maximum penalties: 10 years custody; \$250,000 fine; \$100 Special Assessment; 3 year supervised release.*

**Count 4:**      Title 26, United States Code, Section 7212 – Corrupt Endeavor to Impede and Impair the Due Administration of the Internal Revenue Laws

*Maximum penalties: 3 years in prison, a fine up to \$250,000, and term of supervised release of not more than 1 year.*

**Counts 5-6:**      Title 26, United States Code, Section 7201 – Tax Evasion

*Maximum penalties: 5 years in prison, a fine of \$250,000, and a term of supervised release of not more than 3 years.*

**Counts 7-13:**      Title 18, United States Code, Section 1014 – False Statements to a Federally Insured Financial Institution

*Maximum penalties: 30 years in prison, a fine of \$1,000,000, and a term of supervised*

*release of 5 years.*

**Counts 14-19:** Title 18, United States Code, Section 1028A – Aggravated Identity Theft

*Maximum penalties: 2 years consecutive to the sentence imposed for the underlying offense.*

**INVESTIGATING AGENCIES:**

San Diego Regional Fraud Task Force (multi-agency task force comprised of members of the United States Secret Service, the San Diego Police Department, and the San Diego District Attorney’s Office)

Internal Revenue Service

United States Department of State, Office of Diplomatic Security

**An indictment is not evidence that the defendant committed the crime charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.**