

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

No.

v.

Hon.

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT,

Defendants.

**INDICTMENT**

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The Grand Jury charges:

**Background**

1. JONATHON LEE FANCETT of Lakeview, Michigan has been the sole owner of Lakeview Lawn Care since its inception in 2000.
2. ANGELA MARIE FANCETT of Lakeview, Michigan is the wife of JONATHON LEE FANCETT.
3. ANGELA MARIE FANCETT maintained the financial books for Lakeview Lawn Care.
4. JONATHON LEE FANCETT and ANGELA MARIE FANCETT claimed to be W-2 wage earners of Lakeview Lawn Care on their U.S. Form 1040 Income Tax Returns. The 2001, 2003, and 2004 returns were filed on January 26, 2007. The 2005 return was filed on February 20, 2006. The 2006 return was filed on January 16, 2007. They filed the 2007 returns separately. JONATHON LEE FANCETT's 2007 return was filed on February 2, 2008 and ANGELA MARIE FANCETT's was filed on February 18, 2008.

5. JONATHON LEE FANCETT and ANGELA MARIE FANCETT were non-filers for their U.S. Form 1040 Individual Income Tax Returns for the years 2001, 2003, and 2004 until January 26, 2007 when the three returns were filed.
6. Lakeview Lawn Care did not file its U.S. Forms 940 and 941, nor did it pay employment taxes for 2001 through 2007, with the exception of the Form 941 for the first quarter of 2003.
7. JONATHON LEE FANCETT and ANGELA MARIE FANCETT were counseled by accountants that they had hired, during the first quarter of 2003, to file U.S. Forms 940 and 941 and to pay employment and withholding taxes for themselves and their employees

**COUNT 1**

Beginning on or about February 20, 2006 and continuing to on or about February 18, 2008 in Montcalm County, in the Western District of Michigan, Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

knowingly entered into an agreement with each other to defraud the United States Department of Treasury, Internal Revenue Service (“IRS”) by obtaining and aiding to obtain the payment of false, fictitious and fraudulent claims in the manner and means as follows:

It was part of the agreement that the defendants submitted false Form 1040 U.S. Individual Income Tax Returns, claiming that federal income taxes had been withheld from their wages and that they were entitled to refunds of a portion of the federal income taxes purportedly withheld. The false claims for refunds of withheld federal income taxes include the following:

- a. On or about January 26, 2007, JONATHON LEE FANCETT and ANGELA MARIE FANCETT filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2001 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$15,514.00, when in fact no federal income tax had been withheld from their wages and they were not entitled to any refund.
- b. On or about January 26, 2007, JONATHON LEE FANCETT and ANGELA MARIE FANCETT filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2003 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$20,603.00,

when in fact no federal income tax had been withheld from their wages and they were not entitled to any refund.

- c. On or about January 26, 2007, JONATHON LEE FANCETT and ANGELA MARIE FANCETT filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2004 claiming that federal income tax had been withheld from their wages, totaling \$49,244.00 and that they were entitled to a refund of \$25,047.00, when in fact no federal income tax had been withheld from their wages and they were not entitled to any refund.
- d. On or about February 20, 2006, JONATHON LEE FANCETT and ANGELA MARIE FANCETT filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2005 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$26,207.00, when in fact no federal income tax had been withheld from their wages and they were not entitled to any refund.
- e. On or about January 16, 2007, JONATHON LEE FANCETT and ANGELA MARIE FANCETT filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2006 claiming that federal income tax had been withheld from their wages, totaling \$51,508.00 and that they were entitled to a refund of \$32,227.00, when in fact no federal income tax had been withheld from their wages and they were not entitled to any refund.
- f. On or about February 2, 2008, JONATHON LEE FANCETT filed his Form 1040 U.S. Individual Income Tax Return for calendar year 2007 claiming that federal

income tax had been withheld from his wages, totaling \$28,985.00 and that he was entitled to a refund of \$18,642.00, when in fact no federal income tax had been withheld from his wages and he was not entitled to any refund.

- g. On or about February 18, 2008 ANGELA MARIE FANCETT filed her Form 1040 U.S. Individual Income Tax Return for calendar year 2007 claiming that federal income tax had been withheld from her wages, totaling \$29,802.00 and that she was entitled to a refund of \$28,126.00, when in fact no federal income tax had been withheld from her wages and she was not entitled to any refund.

18 U.S.C. § 286

**COUNT 2**

On or about January 26, 2007, in Montcalm County, in the Western District of Michigan,  
Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, they filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2001 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$15,514.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from their wages and they were not entitled to any refund.

18 U.S.C. § 287

18 U.S.C. § 2

**COUNT 3**

On or about January 26, 2007, in Montcalm County, in the Western District of Michigan,  
Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, they filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2003 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$20,603.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from their wages and they were not entitled to any refund.

18 U.S.C. § 287

18 U.S.C. § 2

**COUNT 4**

On or about January 26, 2007, in Montcalm County, in the Western District of Michigan,  
Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, they filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2004 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$25,047.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from their wages and they were not entitled to any refund.

18 U.S.C. § 287  
18 U.S.C. § 2

**COUNT 5**

On or about February 20, 2006, in Montcalm County, in the Western District of Michigan, Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, they filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2005 claiming that federal income tax had been withheld from their wages, totaling \$49,243.00, and that they were entitled to a refund of \$26,207.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from their wages and they were not entitled to any refund.

18 U.S.C. § 287

18 U.S.C. § 2

**COUNT 6**

On or about January 16, 2007, in Montcalm County, in the Western District of Michigan,  
Southern Division,

JONATHON LEE FANCETT and  
ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, they filed their Form 1040 U.S. Individual Income Tax Return for calendar year 2006 claiming that federal income tax had been withheld from their wages, totaling \$51,508.00, and that they were entitled to a refund of \$32,227.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from their wages and they were not entitled to any refund.

18 U.S.C. § 287

18 U.S.C. § 2

COUNT 7

On or about February 2, 2008, in Montcalm County, in the Western District of Michigan,  
Southern Division,

JONATHON LEE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, he filed his Form 1040 U.S. Individual Income Tax Return for calendar year 2007 claiming that federal income tax had been withheld from his wages, totaling \$28,985.00, and that he was entitled to a refund of \$18,642.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from his wages and he was not entitled to any refund.

18 U.S.C. § 287

**COUNT 8**

On or about February 18, 2008, in Montcalm County, in the Western District of Michigan, Southern Division,

ANGELA MARIE FANCETT

made a claim against the United States Department of Treasury, Internal Revenue Service, that is, she filed her Form 1040 U.S. Individual Income Tax Return for calendar year 2007 claiming that federal income tax had been withheld from her wages, totaling \$29,802.00, and that she was entitled to a refund of \$28,126.00, knowing that the claim was false, fictitious and fraudulent in that no federal income tax had been withheld from her wages and she was not entitled to any refund.

18 U.S.C. § 287

A TRUE BILL

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GRAND JURY FOREPERSON

DONALD A. DAVIS  
United States Attorney

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JULIE ANN WOODS  
Assistant United States Attorney