

PRESS RELEASE

Rochester woman pleads guilty to defrauding the IRS and NYS Tax Department during COVID

Monday, March 25, 2024

For Immediate Release

U.S. Attorney's Office, Western District of New York

ROCHESTER, N.Y. - U.S. Attorney Trini E. Ross announced today that Melanie Armstrong, 55, of Rochester, NY, pleaded guilty before U.S. Magistrate Judge Marian W. Payson to wire fraud involving national emergency benefits, filing false claims against a government agency, and transfer of a means of identification. The charges carry a maximum penalty of 30 years in prison and a \$1,000,000 fine.

Assistant U.S. Attorney Katelyn M. Hartford, who is handling the case, stated that between July 2020, and August 2021, Armstrong falsely applied for New York State Department of Labor unemployment benefits under the identities of others and fraudulently collected benefits in their names. Armstrong also collected unemployment benefits in her own name by falsely representing that she had no source of income. Armstrong received \$131,400.10 in benefits that she was not lawfully entitled to receive. Armstrong also applied for, but did not receive, additional benefits, resulting in a total intended loss of \$250,916.

In addition, between January 2019, and April 2023, Armstrong filed 19 false income tax returns with the Internal Revenue Service for herself, and family members and associates, claiming false and inflated wages and false and inflated federal income tax withholdings. As a result, the IRS issued tax refunds to Armstrong and the others totaling \$101,255. Between January 2020, and April 2023, Armstrong also filed 17 false tax returns for herself, and family members and associates, with the [New York State Department of Taxation and Finance](#), claiming false and inflated wages and false and inflated state income tax withholdings. Armstrong attempted to obtain \$45,363 in fraudulent refunds, but actually received \$18,758 in fraudulent refunds.

The plea is the result of an investigation by the U.S. Department of Labor, Office of Inspector General, under the direction of Jonathan Mellone, Special Agent-in-Charge, Northeast Region, the Internal Revenue Service-Criminal Investigations, under the direction of Special Agent-in-Charge Thomas M. Fattorusso, and the New York State Department of Taxation and Finance, under the direction of Acting Commissioner Amanda Hiller.

Sentencing will be scheduled a later date.

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Topic

FINANCIAL FRAUD

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