



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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Contact: \*CI-HQ-COMMUNICATIONSEducation@ci.irs.gov  
IRS – Criminal Investigation

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### **Former IRS Revenue Officer and Owner of Tax Consulting Business Pleads Guilty to Tax Evasion**

A former Internal Revenue Service (IRS) revenue officer pleaded guilty today in the U.S. District Court in the Middle District of North Carolina to one count of tax evasion and one count of corruptly endeavoring to impede the due administration of the internal revenue laws, announced Principal Deputy Assistant Attorney General Caroline D. Ciruolo, head of the Justice Department's Tax Division, and U.S. Attorney Ripley Rand of the Middle District of North Carolina.

According to documents filed with the court, Henti Lucian Baird, 60, and a resident of Greensboro, North Carolina, filed tax returns each year but has not paid his self-assessed taxes since at least 1998. Baird was an IRS revenue officer for 12 years before he established HL Baird's Tax Consultants, which he operated from 1989 to 2014. Baird advertised himself to clients as specializing in "IRS problems, delinquent returns, offer-in-compromise, tax problems, delinquent employee taxes and release of liens and levies." Baird, in turn, used his knowledge and experience to evade payment of his own taxes, creating over 10 nominee bank accounts in the names of his children to hide hundreds of thousands of dollars, submitting false Form 433-A to the investigating revenue officer that did not reveal all of his nominee bank accounts, filing, in bad faith, a Chapter 13 bankruptcy petition, a cash offer in compromise, a request for discharge and an application for subordination of his federal tax lien and transferring funds out of nominee accounts to avoid impending IRS levies. During this time, Baird continued to pay the mortgage on his 4,300 square-foot home, annual fees for his timeshare in Florida and car payments on his BMW. Baird admitted to the revenue officer and the mortgage holder that he did not keep money in bank accounts because he feared a levy or garnishment.

Baird also used his stepson's identity, without his knowledge, to apply for a Preparer Tax Identification Number, which Baird then used to file over 900 income tax returns for clients, as well as his own income tax returns. Additionally, Baird submitted, under penalties of perjury, at least 120 Forms 2848, Power of Attorney and Declaration of Representative, on behalf of clients that falsely stated he was an enrolled agent, even though the IRS revoked his authorization to represent taxpayers.

The penalties and interest on Baird's taxes will continue to accrue until he pays the IRS in full. As of Sept. 20, Baird's evasion of payment totals \$477,028.80 in tax, penalties and interest for tax years 1998 through 2013.

U.S. District Judge Thomas D. Schroeder for the Middle District of North Carolina set sentencing for Jan. 17, 2017. Baird faces a statutory maximum sentence of five years in prison for his conviction on the tax evasion count, and a statutory maximum sentence of three years in prison on the obstruction count, as

well as a period of supervised release and monetary penalties. As a condition of the plea agreement, Baird agreed to pay full restitution to the IRS.

Principal Deputy Assistant Attorney General Ciraolo and U.S. Attorney Rand commended special agents of IRS-Criminal Investigation, who conducted the investigation and Assistant U.S. Attorney Clifton T. Barrett of the Middle District of North Carolina and Trial Attorney Kathryn A. Kimball of the Justice Department's Tax Division, who prosecuted the case.

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