



THE UNITED STATES

## Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Wednesday, November 24, 2021

### **Florida Tax Preparer Charged in Connection with \$7 Million Loan Fraud Scheme**

A Florida tax preparer was charged in an indictment filed in the Eastern District of Pennsylvania yesterday with scheming to fraudulently obtain more than \$7 million in Paycheck Protection Program (PPP) loans, Economic Injury Disaster Loans (EIDL) and pre-pandemic Small Business Administration (SBA) loans, and to launder the proceeds of the illegal scheme.

The indictment alleges that, beginning in or around January 2018, Barrie J. Osborne, 76, of Celebration, conspired with at least eight California-based individuals to apply for SBA, PPP, and EIDL loans on behalf of their respective businesses that were dormant companies or companies with limited business operations. In exchange for fees, Osborne made the businesses appear to be functioning companies with operations and employees by creating fake documents, including fake bank statements and fictitious tax documents. Osborne also provided a "script" to scheme participants to use in calls with lenders. Osborne and the California co-conspirators allegedly obtained over \$7.3 million in PPP, EIDL, and SBA loans.

The indictment further alleges that Osborne created "forgiveness plans" that directed the co-conspirators to transfer the fraud proceeds as purported payroll expenses for each of the companies that obtained PPP funds, including one of his own companies. These so-called "forgiveness plans" were designed to disguise the proceeds as payroll expenses and make it appear that the loan recipient was meeting the SBA requirement that a percentage of the PPP funds be used for payroll, thus increasing the likelihood that the loan recipient would qualify for loan forgiveness. Osborne is charged with conspiracy to commit wire and bank fraud, wire fraud, bank fraud, and conspiracy to commit money laundering.

Assistant Attorney General Kenneth A. Polite Jr. of the Justice Department's Criminal Division; U.S. Attorney Jennifer Arbritter Williams for the Eastern District of Pennsylvania; Special Agent in Charge Amaleka McCall-Brathwaite of the Small Business Association Office of Inspector General (SBA-OIG) Eastern Region; Special Agent in Charge Yury Kruty of IRS-Criminal Investigation (IRS-CI) Philadelphia Field Office; Special Agent in Charge Brian Michael of Homeland Security Investigations (HSI) Philadelphia Field Office; and Acting Assistant Director Jay Greenberg of the FBI's Criminal Investigative Division made the announcement

This case was investigated by the SBA-OIG, IRS-CI, HSI's Philadelphia Field Office, and the FBI's Philadelphia Field Office.

Trial Attorneys David A. Stier and Patrick B. Gushue of the Criminal Division's Money Laundering and Asset Recovery Section and Assistant U.S. Attorney Judy G. Smith of the U.S. Attorney's Office for the Eastern District of Pennsylvania are prosecuting the case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources

and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866 720 5721 or via the NCDF Web Complaint Form at <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

*An indictment is merely an allegation, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.*

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**Topic(s):**

Coronavirus

Disaster Fraud

**Component(s):**

Criminal Division

Criminal - Criminal Fraud Section

USAO - Pennsylvania, Eastern

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