



THE UNITED STATES ATTORNEY'S OFFICE
WESTERN DISTRICT *of* TENNESSEE

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Department of Justice

U.S. Attorney's Office

Western District of Tennessee

FOR IMMEDIATE RELEASE

Monday, October 19, 2020

U.S. Attorney's Office Charges 3 with COVID-19 Relief Fraud

Local Tax Business Alleged to be Responsible for \$1.1 Million in Fraudulently Obtained COVID-19 Related Economic Injury Disaster Loans

Memphis, TN – Brandy D. Scaife, 42, Janisha L. Jones, 22, and Sharika L. Carpenter, 42, of Better Days Tax Service, have been charged with wire fraud and conspiracy to defraud the United States. D. Michael Dunavant, U.S. Attorney announced the unsealing of the federal criminal complaint today.

According to information presented in the complaint, between April 2020 and June 2020, Scaife, Jones and Carpenter, participated in a fraud scheme to obtain COVID-19 relief funds from the Small Business Administration in excess of \$1 million. Further, the scheme resulted in 401 fraudulently filed applications seeking Economic Injury Disaster loans made available to those impacted by the coronavirus pandemic. Numerous applications were submitted using false information for the purpose of facilitating the fraudulent activity. Evidence revealed approved loan applications netted approximately \$1.1 million in fraudulently obtained funds.

If convicted, each defendant faces up to 30 years in federal prison. There is no parole in the federal system.

United States Attorney D. Michael Dunavant said, "Protection of the United States Treasury is a top priority for the Department of Justice, and our office is absolutely committed to bringing to justice those who would seek to take unfair advantage of critical government resources through fraud during this challenging and uncertain time of the COVID-19 pandemic. I commend the outstanding investigation by our federal law enforcement partners in this brazen and disturbing case."

The Internal Revenue Service-Criminal Investigation, the U.S. Treasury Inspector General for Tax Administration, and the Small Business Administration Office of Inspector General investigated this case.

For information about the Department of Justice's efforts to stop illegal COVID-19-related activity, visit www.justice.gov/coronavirus. For the most up-to-date information on COVID-19, consumers may visit the Centers for Disease Control and Prevention (CDC) and WHO websites. The public is urged to report suspected fraud schemes related to COVID-19 (the Coronavirus) to the National Center for Disaster Fraud

(NCDF) hotline by phone at (1-866-720-5721) or via an online reporting form available at www.justice.gov/disaster-fraud/webform/ncdf-disaster-complaint-form.

The Western District of Tennessee Coronavirus Fraud Coordinator is Assistant U.S. Attorney Tony Arvin.

The charges and allegations contained in the complaint are merely accusations of criminal conduct, not evidence. The defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt, and convicted through due process of law.

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Component(s):

USAO - Tennessee, Western

Updated October 19, 2020