

PRESS RELEASE

Two Allentown Residents Charged in Stolen Identity Refund Fraud (SIRF) Scheme, Pandemic Unemployment Assistance (PUA) Fraud, and Aggravated Identity Theft Conspiracy

Friday, May 26, 2023

For Immediate Release

U.S. Attorney's Office, Eastern District of Pennsylvania

PHILADELPHIA – United States Attorney Jacqueline C. Romero announced that Jose Baez and Jessenia Cordero, a married couple, both of Allentown, PA, were charged by way of complaint with one count of conspiracy to defraud the United States with respect to certain claims, conspiracy to commit aggravated identity theft, and conspiracy to commit mail fraud, all stemming from Baez and Cordero filing fraudulent tax returns and PUA applications with stolen identities.

The complaint alleges that Baez and Cordero used stolen identities to file at least 316 fraudulent federal tax returns and 168 fraudulent PUA applications. Baez and Cordero filed the false returns with designated tax preparer identification numbers registered under their name. According to the complaint, Baez and Cordero used the corporate alter ego, JB Multiservices, a company owned by Baez, and of which Cordero was an employee, to file the fraudulent returns. The false returns were filed using an IP address registered to Baez at the business's location. Additionally, according to the complaint, at least 674 false returns were filed by the IP address registered to that location by Baez, Cordero, Person 1, and Person 2. As outlined in the complaint, per Internal Revenue Service (IRS) records, the 316 false returns filed by Baez and Cordero requested at least \$1.8 million dollars in fraudulent tax refunds.

As also alleged in the complaint, the IP address registered to Baez at his and Cordero's home was used to file 168 fraudulent PUA applications. After the fraudulent applications were filed, the respective state workforce agency responsible for administering the PUA benefits dispersed funds on the fraudulent PUA applications by mailing PUA debit cards to addresses in Allentown and elsewhere. Over \$1.4 million dollars in PUA benefits were withdrawn at ATMs on the cards. PUA debit cards were also issued under Baez and Cordero's names and mailed to an Allentown address. The PUA debit cards issued under the names of Baez and Cordero were often used at ATMs immediately before or after PUA debit cards were issued on other applications filed with stolen identities.

As alleged in the complaint, during a July 6, 2022 search warrant, that was executed pursuant to a federal search warrant issued in the Eastern District of Pennsylvania of Baez and Cordero's home, federal agents recovered lists of identities and documents that were used to file the fraudulent tax returns and PUA applications.

The case was investigated by the Federal Bureau of Investigation's Allentown Resident Agency, the Internal Revenue Service – Criminal Investigation, and the Department of Labor's Office of the Inspector General, and is being prosecuted by Assistant United States Attorneys Timothy M. Lanni and Mary A. Fitcher.

An indictment, information, or criminal complaint is an accusation. A defendant is presumed innocent unless and until proven guilty.

Persons 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 Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>

Updated May 26, 2023

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