

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

PAULA SHARICE NELSON a/k/a
PAULA SHARICE MASON a/k/a
PAULA SHARICE KIMMONS
and JEWELINE MASON

Defendants.

Cr. No. 08-20093

18 U.S.C. § 1957

18 U.S.C. § 1341

18 U.S.C. § 152

26 U.S.C. § 7201

RECEIVED

MAR 12 2008

United States District Court
Western Tennessee

INDICTMENT

THE GRAND JURY CHARGES:

COUNT 1
MAIL FRAUD

1. Beginning in or about April 2000, and continuing through on or about November, 2005, in the Western District of Tennessee, the defendants,

----- PAULA SHARICE NELSON MASON -----
----- JEWELINE MASON -----

being aided, abetted, counseled, induced, and encouraged by one another and persons known and unknown to the Grand Jury, did devise and intend to devise a scheme and artifice to defraud and obtain property by means of false and fraudulent pretenses, representations and promises from financial institutions.

2. The scheme and artifice to defraud and obtain property by means of false and fraudulent pretense, representations and promises so devised and intended to be devised

by the defendants was in substance as follows:

a. It was a part of the scheme and artifice to defraud and obtain property that defendant, **PAULA SHARICE NELSON MASON**, would apply for mortgage loans in the names of her friends and family members.

b. It was further a part of the scheme and artifice to defraud and obtain property that defendant **PAULA SHARICE NELSON MASON** and others, known and unknown to the Grand Jury, would prepare fraudulent home loan applications by falsifying documents to support the mortgage loans.

c. It was further a part of the scheme and artifice to defraud and obtain property that defendant **PAULA SHARICE NELSON MASON** purchased and sold fourteen (14) properties throughout Memphis, Tennessee.

d. It was further a part of the scheme and artifice to defraud and obtain property that defendant **PAULA SHARICE NELSON MASON** purchased and "sold" on the same day, property located at 4304 Crimson Tree, Memphis, Tennessee, to her mother, **JEWELINE MASON**.

e. It was further a part of the scheme and artifice to defraud and obtain property that defendant **JEWELINE MASON** provided false information to support the mortgage loan application on the property.

f. It was further a part of the scheme and artifice to defraud and obtain property that financial institutions would rely upon the fraudulent documents and false statements in considering and approving the mortgage loans.

3. Beginning in or about September, 2004, in the Western District of Tennessee, the

defendants,

----- **PAULA SHARICE NELSON MASON** -----

----- **JEWELINE MASON** -----

being aided, abetted, counseled, induced, and encouraged by one another and persons known and unknown to the Grand Jury, for the purpose of executing the foregoing scheme and artifice to defraud described herein and in attempting to do so, did knowingly place and cause to be placed in a post office box and an authorized depository for mail matter to be sent and delivered by the United States Postal Service and did knowingly deposit and cause to be deposited to be sent and delivered by a private and commercial interstate carrier, closing documents, from Orange Law Firm, to Flagstar Bank, 5151 Corporate Drive, Troy, Michigan, 48098; in violation of Title 18 United States Code, Sections 1341 and 2.

COUNT 2
BANKRUPTCY FRAUD

1. On or about November 24, 2003, in the Western District of Tennessee, the defendant,

----- **PAULA SHARICE NELSON MASON** -----

did knowingly and fraudulently present a false claim under Title 11, that is, a bankruptcy petition in case number 03-40599, in the United States Bankruptcy Court for the Western District of Tennessee; in violation of Title 18, United States Code, Sections 152 (4) and 2.

COUNT 3
MONEY LAUNDERING

On or about March 19, 2003, in the Western District of Tennessee, the defendant,

----- **PAULA SHARICE NELSON MASON** -----

did knowingly engage and attempt to engage in a monetary transaction by, through and to a financial institution, affecting interstate commerce in criminally derived property of value in excess of \$10,000, namely, the deposit of a check from Velandar and Anderson into an account she maintained at National Bank of Commerce (NBC), in the amount of \$15,511.83, such property having been derived from a specified unlawful activity, namely, mail fraud, Title 18 United States Code Section 1341, as more specifically described in count one above, all in violation of Title 18, United States Code Section 1957.

COUNT 4-5
TAX EVASION

For the years listed below, in the Western District of Tennessee, the defendant,

----- **PAULA SHARICE NELSON MASON** -----

did willfully attempt to evade and defeat a large part of the income tax due and owing by her to the United States of America for the calendar years listed below, by presenting and causing to be presented and signing and causing to be signed a false and fraudulent U.S. Individual Income Tax Return, Form 1040 on behalf of herself, which was filed with the

Internal Revenue Service, wherein she stated that her taxable income for said calendar year was the sum listed below and that the amount of tax due and owing on said taxable income thereon was the sum listed below, whereas, as she then well knew, her taxable income for the said calendar year was substantially greater than those listed and that upon said additional taxable income a substantial additional tax was due and owing to the United States of America; in violation of Title 26 , United States Code, Section 7201.

<u>Count</u>	<u>Calendar Year</u>	<u>Stated Taxable Income</u>	<u>Stated Tax Due & Owing</u>
2	2002	\$0	\$0 (Claimed Refund)
3	2003	\$0	\$0 (Claimed Refund)

COUNT 6

That during the calendar year 2004, in the Western District of Tennessee, the defendant,

----- **PAULA SHARICE NELSON MASON** -----

had and received taxable income in the sum of approximately \$207,261.00, that well knowing and believing the foregoing facts, the defendant, on or about April 15, 2004, in the Western District of Tennessee, did willfully attempt to evade and defeat the said income tax due and owing by her to the United States of America for said calendar year by failing to make an income tax return on or before April 15, 2004, as required by law, to any proper officer of the Internal Revenue Service, by failing to pay the Internal Revenue Service said income tax, in violation of Title 26, United States Code, Section 7201.

