



IRS Criminal Investigation releases updated COVID fraud statistics on 4th anniversary of CARES Act; nearly \$9 billion investigated

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WASHINGTON — Four years after the enactment of a key pandemic-era law, the Internal Revenue Service released updated numbers showing Criminal Investigation (CI) has investigated 1,644 tax and money laundering cases related to COVID fraud potentially totaling \$8.9 billion, with well over half that amount coming from cases opened in the last year.

These cases include a wide range of criminal activity, including fraudulently obtained loans, credits and payments meant for American workers, families and small businesses under the Coronavirus Aid, Relief and Economic Security (CARES) Act.

As of Feb. 29, 795 people have been indicted for their alleged COVID-related crimes and 373 individuals have been sentenced to an average of 34 months in federal prison. During the last four years, CI has obtained a 98.5% conviction rate in prosecuted COVID fraud cases.

“The work by IRS Criminal Investigation provides a vital role in protecting against fraud and serves a key part in the agency’s wider efforts to ensure fairness in the nation’s tax system,” said IRS Commissioner Danny Werfel. “Protecting taxpayers against fraud in pandemic-era programs is just one example of the important role that CI plays in the law enforcement community. A healthy budget for the IRS helps us get the job done, and the work of CI provides a critical safety net to protect the nation against fraud.”

Looking ahead, CI’s ongoing fraud-protection work will be bolstered by the additional funding the IRS received through the Inflation Reduction Act, which is providing the agency with additional resources to ensure fair enforcement of the laws as well as improved taxpayer service, new technology and wider IRS transformation efforts.

“In the last year alone, we have opened nearly 700 new COVID fraud investigations that collectively add up to \$5 billion in potential fraud,” said CI Chief Guy Ficco. “While COVID may no longer be top of mind to the average American when they wake up, the fraud committed through these different programs is very much top of mind to CI. Our special agents continue to seek out fraudsters who stole money from government loan programs for their personal gain.”

Recent sentencings include:

Long Island man sentenced to 10 years in prison for sprawling COVID-19 loan fraud

In March 2024, Rami Saab, also known as “Rami Hasan,” was sentenced to 10 years in prison and required to pay \$9.6 million in restitution for his role as the mastermind behind a sprawling conspiracy to fraudulently obtain loans amid the COVID-19 pandemic. Saab and a network of co-conspirators fraudulently applied for more than \$32 million in loans from the Paycheck Protection Program (PPP) and Economic Injury Disaster Loan Program (EIDL) on behalf of shell corporations they controlled. Relying on false information and fabricated documentation supplied by Saab and his conspirators, the Small Business Administration (SBA) and private banks administering the PPP and EIDL programs granted at least 20 such applications, resulting in Saab and his fellow conspirators receiving \$9.6 million in emergency-relief funds intended for distressed small businesses. Using a web of more than 50 otherwise dormant bank accounts, Saab and others laundered the proceeds before using the funds for their own self-enrichment.

Toledo area man sentenced to 94 months in prison for COVID fraud

Terrence L. Pounds was sentenced in March 2024 to 94 months in prison and ordered to pay more than \$4.2 million dollars to the SBA after being convicted of conspiracy to commit wire fraud, wire fraud and money laundering. Pounds and his co-defendants devised a scheme to obtain SBA-financed loans from the EIDL Program and the PPP under false pretenses, often claiming the loans were for nonprofit, faith-based organizations with over \$1 million in revenue and 15 employees. He successfully obtained millions of dollars in loans and then used the money to purchase several new vehicles, which were later forfeited to the U.S. government.

The CARES Act was signed into law on March 27, 2020, to provide emergency financial assistance to millions of Americans suffering from the economic effects of the COVID-19 pandemic.

CI encourages the public to share information regarding known or suspected fraud tied to the CARES Act by contacting their local CI field office. Contact information for each CI field office is listed in the [division’s annual report](#) [PDF](#).

CI is the law enforcement arm of the IRS, responsible for conducting financial crime investigations, including tax fraud, narcotics trafficking, money-laundering, public corruption, healthcare fraud, identity theft and more. CI special agents are the only federal law enforcement agents with investigative jurisdiction over violations of the Internal Revenue Code, obtaining a nearly 90% federal conviction rate. The agency has 20 field offices located across the U.S. and 12 attaché posts abroad.

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