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Fired L.A. County worker arrested in tax fraud case

Trang Van Dinh of Glendale was detained after returning from Vietnam. Accused of using welfare applicants' information to seek \$2 million in bogus returns, he had been indicted on multiple counts.

By Garrett Therolf, Times Staff Writer

June 9, 2010

Federal authorities this week arrested a former Los Angeles County worker who allegedly used the personal information of more than 150 welfare applicants to file nearly \$2 million in fraudulent claims for tax refunds.

Trang Van Dinh, a 62-year-old resident of Glendale, worked for the county for a decade and filed the returns in a desperate attempt to pay gambling debts, county auditors said.

Dinh was arrested Monday as he returned from a trip to Vietnam, two months after a federal grand jury indicted him on 11 counts of making false claims to the Internal Revenue Service and 11 counts of identity theft. If convicted of all charges, Dinh could face a maximum of 220 years in federal prison.

His arrest comes months after Dinh was fired from his county job after acknowledging wrongdoing in an interview with county investigators, said Guy Zelenski, chief investigator for the county auditor-controller. County officials spoke to Dinh after IRS investigators notified them of their suspicions.

"He thought he could pay the IRS back and he would have no problems," Zelenski said.

The IRS investigation found that Dinh used the names, Social Security numbers and other identifying information of more than 150 people in his caseload to prepare the fraudulent tax returns.

Dinh filed his returns electronically and sought to have tax refunds sent directly to bank accounts he controlled, according to federal prosecutors.

The returns sought about \$1.9 million in refunds from the IRS, which had paid about \$1 million of the fraudulent claims before discovering something was amiss. Although bank officials were able to freeze some of the funds, IRS officials estimate that Dinh got about \$650,000 in fraudulent refunds.

Despite Dinh's apparent admission to county officials last year, it took time before the U.S. attorney's office was able to [win an indictment](#) against him. In the interim he was able to leave the country to travel to Vietnam.

It was unclear when investigators gave the case to the U.S. attorney's office. Once filed, it required approval from officials in Washington before an indictment could be sought from the grand jury.

"The bottom line is that he left the country before he was charged, and we really don't have the ability to stop a person from leaving the country simply because they are suspected of fraudulent activity," Assistant U.S. Atty. Angela J. Davis said. "The government absolutely prioritized the case."