



NOT LICENSED TO SELL – CASE STUDY #2

THE SITUATION:

In February 2007, James Maude was issued a real estate broker license.

On July 16, 2016, in the United State District Court, Eastern District of Virginia, Alexandria Division, Mr. Maude was convicted of two felonies, Aggravated Identify Theft and Aiding and Assisting in Preparation of False Return. The felonies pertained to his conduct between 2011 and 2014 when he was engaged in tax preparation services. Mr. Maude modified his clients' tax returns to include false information and artificially inflate their income tax refunds. He then took a portion of each income tax refund and used it for his own benefit. Mr. Maude pleaded guilty and signed a plea agreement where he was sentenced to fourteen months in prison on each charge to run concurrently. He was also ordered to serve one year of probation upon his release.

On August 22, 2016, Mr. Maude submitted a Criminal Conviction Reporting Form to the Department of Professional and Occupational Regulation

THE INVESTIGATION:

In April 2017, investigators reviewed the plea agreement for the charges brought against him and requested additional supplemental documentation from Mr. Maude during the Informal Fact-Finding Conference.

During the investigation, Mr. Maude refuted facts stipulated in the Statement of Facts attached to the plea agreement. He claimed that there was an employee who perpetrated the fraudulent tax returns even though there was no mention of any co-conspirators. He also alleged that he could not have submitted one of his client's fraudulent tax returns because he was out of the country on that



date. Investigators provided him with the opportunity to submit documentations corroborating that he was out of the country, but Mr. Maude failed to submit documentation of his travel dates.

THE RESULT:

The Board revoked Mr. Maude's license. It determined that through his conviction of multiple felonies, he had committed actions constituting unworthy and incompetent conduct. Based on the record, it appeared that allowing Mr. Maude to remain a licensee of the Board would offer him an opportunity to engage in further criminal activity of the same type, and his actions demonstrated that he lacks sufficient character to discharge the responsibilities of a real estate licensee. In addition, although Mr. Maude had not committed a criminal act in several years, he had only been out of prison for a few months, making it difficult to determine that he had rehabilitated himself.

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