



Rick Staly, Sheriff

FLAGLER COUNTY SHERIFF'S OFFICE

"An honor to serve, a duty to protect."

NEWS RELEASE

Date: October 21, 2021
Prepared by: Melissa Morreale
Phone and Email: 386-529-4086; mmorreale@flaglersheriff.com
Release #: 2021-246

Flagler Tax Service Case Turned Over to Feds **Sheriff Urges Possible Victims to File a Report with Federal Authorities**

Since August 2021, the Flagler County Sheriff's Office (FCSO) has opened over 100 cases from victims of an alleged scheme to defraud clients of Flagler Tax Services. The FCSO General Assignment Detectives have conducted approximately 85 interviews with victims and federal authorities are now taking over this investigation.

"Detectives of our General Assignment Unit have been busy investigating over 100 cases," Sheriff Rick Staly said. "They've analyzed thousands of documents and conducted upwards of 85 interviews with potential victims. Our federal partners have decided to adopt this investigation. The federal court system is more likely to hold this offender accountable for stealing from clients and in the federal system you serve 100% of your sentence. If you have not filed a complaint and believe you may be a victim please file a report with the IRS."

FCSO urges residents who may be a victim or know someone that may be a victim and you have not already filed a report with FCSO to contact the IRS Criminal Investigation Tampa Field Office at TampaFieldOffice@ci.irs.gov or call 904-661-3413. If you have already filed a report with FCSO you do not need to call IRS Criminal Investigations.

Original Release Date: September 7, 2021
Original Release #: 2021-194

FCSO Investigates Over a Dozen Cases of Fraud and Theft of Flagler Tax Service Clients

On Friday, September 3, 2021, the Flagler County Sheriff's Office (FCSO) General Assignment Unit, Internal Revenue Service (IRS) Criminal Investigations, and the Volusia County Sheriff's Office (VCSO) executed a search warrant on Flagler Tax Service of Bunnell, located at 608 E Moody Boulevard.

Proudly Serving the Community Since 1917
A Four Diamond Accredited Law Enforcement Agency



Detectives seized multiple computers, files, and other evidence potentially linked to numerous incidents of a massive organized scheme to defraud clients.



The investigation into the business began on August 25, 2021, when numerous individuals contacted FCSO to report that they had been defrauded by Robert “Bob” Newsholme (DOB: 8/17/1955) of Flagler Tax Service.

The allegations against Newsholme currently include Grand Theft, Organized Scheme to Defraud, and Embezzlement. He has a criminal history dating back to the late 1970s in New York for Grand Larceny, Petit Larceny, Issuing Bad Checks with Knowledge, Forgery, and Scheme to Defraud, with the most recent charge for Defraud in 2004. He is not a Certified Public Accountant (CPA) as most of his clients believed he was and the current cases being investigated by the FCSO total \$189,871 of missing funds.

“At this time, we have no indication that any other Flagler Tax Service employees took part in or had knowledge of any illegal activity,” Sheriff Rick Staly said. “Thousands of documents and forensic material are being analyzed as the investigation continues. It’s unfortunate that someone who was trusted in the community would take advantage of so many people that trusted him. Our investigators will not rest until the victims are identified and the suspect is held accountable for his actions.”

FCSO is asking the community – any person or business whose taxes have been prepared by Flagler Tax Service and has received a notice from the IRS of late filings – or anyone who believes they may be a victim to please contact the FCSO to make a formal report at 386-313-4911.

There are currently 12 active cases being investigated for fraud against Newsholme that FCSO is investigating. If you feel you may be a victim, please contact the FCSO by calling 386-313-4911 to file a report. Upon filing a report with FCSO, victims need to contact the IRS with their case number at 800-829-1040 (Individuals) or 800-829-4933 (Businesses). We also urge residents who may not be known victims of fraud but may have had their tax information seized during the investigation of Flagler Tax Services to contact the IRS.

Newsholme shot himself in the stomach on August 24, 2021, which may have been a possible

Proudly Serving the Community Since 1917
A Four Diamond Accredited Law Enforcement Agency



1769 East Moody Blvd., Bunnell, FL 32110

386-437-4116 – Fax 386-586-4888

Mailing: P.O. Box 879, Bunnell, FL 32110

www.flaglersheriff.com

attempted suicide and was investigated by the FCSO.

###

Proudly Serving the Community Since 1917
A Four Diamond Accredited Law Enforcement Agency



1769 East Moody Blvd., Bunnell, FL 32110

386-437-4116 – Fax 386-586-4888

Mailing: P.O. Box 879, Bunnell, FL 32110

www.flaglersheriff.com