

Psychic pleads guilty to evading taxes after taking \$3.5 million from elderly Martha's Vineyard woman

A south Florida woman, who purported to be a psychic, pleaded guilty today in federal court in Boston to impeding the Internal Revenue Service by hiding more than \$3.5 million of income that she was paid by an elderly Martha's Vineyard woman.

Sally Ann Johnson, a/k/a Angela Johnson, a/k/a Angelia Johnson, a/k/a Sally Reed, 41, pleaded guilty to attempting to interfere with the administration of the Internal Revenue laws. U.S. District Court Judge Denise J. Casper scheduled sentencing for Jan. 17, 2018.

Johnson owned and operated various businesses, including Flatiron Psychic, Psychic Match, Inc., and Psychic Spiritual Salon, Inc., all of which purported to offer "psychic readings," "spiritual cleansing & strengthening," and "meditation & healing." From 2007 to 2014, Johnson was paid over \$3.5 million by an elderly woman living on Martha's Vineyard to purportedly perform spiritual cleansing and healing services to rid the woman of demons through repeated exorcisms. Rather than reporting her income to the IRS and paying taxes on it, Johnson took steps to conceal it. Specifically, Johnson used an alias and directed the woman to send payments to at least three different bank accounts with which Johnson was associated, including an account in another person's name. Johnson then withdrew large portions of the woman's payments from the accounts in cash. In addition, Johnson accrued substantial charges on a credit card held in the name of the elderly woman, who ultimately paid the credit

card bills, thereby concealing from the IRS the true extent of Johnson's income. Neither Johnson nor any of the businesses she operated filed a tax return or paid taxes on the income she received from the woman.

As part of a plea agreement with the government, Johnson agreed to repay \$3,567,300 to the Martha's Vineyard woman and to pay restitution to the IRS for the taxes she avoided from 2007 to 2014.

The charging statute provides for a sentence of no greater than three years in prison, one year of supervised release, a fine of up to \$250,000, or twice the gross gain or loss caused by the offense, and restitution. Sentences are imposed by a federal district court judge based on the U.S. Sentencing Guidelines and other statutory factors.