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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : Mag. No. 13-4153  
 :  
 v. : Hon. Michael A. Hammer  
 :  
 ROMY QUEZADA : CRIMINAL COMPLAINT


I, Jeffrey DeFuria, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Postal Inspector with the United States Postal Inspection Service and that this Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

  
\_\_\_\_\_  
Jeffrey DeFuria, Postal Inspector  
United States Postal Inspection Service

Sworn to before me and subscribed in my presence,  
on July 22, 2013, at Newark, New Jersey

  
\_\_\_\_\_

HONORABLE MICHAEL A. HAMMER  
UNITED STATES MAGISTRATE JUDGE

**ATTACHMENT A**

From in or about January 2012 through in or about March 2012, in Bergen and Passaic Counties, in the District of New Jersey, and elsewhere, defendant

**ROMY QUEZADA**

did knowingly and willfully embezzle, steal, purloin, and knowingly convert to her use and the use of others, money of the United States, specifically United States Treasury checks.

In violation of Title 18, United States Code, Section 641 and Section 2.

## ATTACHMENT B

1. I, Jeffrey DeFuria, am a Postal Inspector with the United States Postal Inspection Agency. I have knowledge of the following facts based upon both my investigation and discussions with other law enforcement personnel and others. Because this affidavit is being submitted for the sole purpose of establishing probable cause to support the issuance of a complaint, I have not included each and every fact known to the government concerning this matter. Where statements of others are set forth herein, these statements are related in substance and in part. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

2. At all times relevant to this Complaint:

- a. The standard form used by United States citizens to file individual federal income tax returns was the Individual Income Tax Return Form 1040 ("Form 1040").
- b. United States employers prepared for each of their employees a Form W-2, Wage and Tax Statement ("Form W-2"), which was used to report wages paid to employees and the taxes withheld from them.
- c. On a Form 1040, taxpayers were required to report, among other things, their wages, withholdings, and applicable tax credits, in part by supplying the information contained in their Form W-2. Based on the information reported in Form 1040s, the United States Treasury Department ("U.S. Treasury") either required taxpayers to provide additional taxes or paid taxpayers with tax refunds.
- d. The U.S. Treasury paid tax refunds in the form of checks, which were mailed to taxpayers (the "Treasury Checks"). The Treasury Checks were made payable to the taxpayers and included the mailing address provided by the taxpayer in his or her Form 1040.

### **Background on Stolen Identify Refund Fraud ("SIRF")**

3. From my training and experience, I know that one common type of fraud committed against the United States government involves the use of stolen identities to commit tax refund fraud. This type of scheme is often referred to as a "Stolen Identity Refund Fraud" (or "SIRF") scheme. SIRF schemes generally share a number of hallmarks:

- a. Perpetrators of SIRF schemes first obtain social security numbers and other personal identifying information from individuals, many of whom reside in the Commonwealth of Puerto Rico.<sup>1</sup>
- b. SIRF perpetrators then use the fraudulently obtained information to complete and file Form 1040s and Form W-2s containing falsified wages earned, taxes withheld, and other data (“Fraudulent Form 1040s” and “Fraudulent W-2s”), always ensuring that the Fraudulent Form 1040s generate a tax refund Treasury Check (“Fraudulent Treasury Check”).
- c. The Fraudulent Treasury Checks are mailed by the U.S. Treasury to locations that SIRF perpetrators control or can access. In some instances, SIRF perpetrators bribe mail carriers to divert the Fraudulent Treasury Checks from the mail stream before delivery.
- d. With the Fraudulent Treasury Checks now in hand, SIRF perpetrators generate cash proceeds. Certain SIRF perpetrators sell Fraudulent Treasury Checks at a discount to face value. In turn, the buyers then cash the Fraudulent Treasury Checks, either themselves or using straw account holders, by cashing checks at banks or check-cashing businesses, or by depositing checks into bank accounts. When cashing or depositing Fraudulent Treasury Checks, SIRF perpetrators often present false or fraudulent identification documents in the names of the “taxpayers” to ensure the checks are payable.
- e. In some cases, SIRF perpetrators will fraudulently “endorse over” a Fraudulent Treasury Check so that it can be cashed or deposited by someone other than the taxpayer-payee. To do this, the SIRF perpetrator forges the signature of the payee on the back of the check, then signs another person’s name underneath (the “endorsee”). Depending on a financial institution’s endorsement policy, some banks will allow the endorsee to cash or deposit the check without requiring further identification from the original payee.

4. The multiple steps in a SIRF scheme often require the participation of numerous individuals, who usually occupy specific and distinct roles in the scheme.

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<sup>1</sup> Puerto Rican citizens are issued Social Security numbers, but are not required to pay federal income tax unless they derive income from United States-based companies or from the United States government. Therefore, Social Security numbers assigned to Puerto Ricans are a valuable commodity for perpetrators of SIRFs because these Social Security numbers are normally not already associated with a Form 1040.

## Overview of Scheme

5. The current investigation has revealed that defendant ROMY QUEZADA obtained Fraudulent Treasury Checks, deposited them into bank accounts she controlled, and then used the money for her personal benefit. From in or about January 2012 through in or about March 2012, ROMY QUEZADA obtained approximately twenty-six Fraudulent Treasury Checks, stealing a total of approximately \$169,838.91 from the U.S. government.

6. Defendant ROMY QUEZADA opened two bank accounts to facilitate her scheme, one at Sovereign Bank (the "Quezada Sovereign Account") and one at JPMorgan Chase (the "Quezada Chase Account"). Both were opened in the name of "Romy E. Quezada d/b/a RK Tax Services."

- a. **Quezada Sovereign Account.** According to bank records, ROMY QUEZADA opened the account on February 2, 2012. Thirteen days later, on February 15, a Fraudulent Treasury Check payable to "W.C." was deposited into the account. The back of the check contained two signatures – W.C.'s on top, and ROMY QUEZADA's underneath – indicating that the check had been "endorsed over" from the taxpayer-payee to ROMY QUEZADA. A surveillance camera located inside a Bergen County branch of Sovereign Bank recorded a young Hispanic woman resembling ROMY QUEZADA depositing the check at a teller window. The account was closed on February 29, 2012.
- b. **Quezada Chase Account.** According to bank records, ROMY QUEZADA opened the account on November 1, 2011. Between January 5, 2012 and March 22, 2012, twenty-five Fraudulent Treasury Checks were deposited into the account. All twenty-five checks were "endorsed over" to ROMY QUEZADA in the same manner described above; the back of each check contained the taxpayer-payee's signature, with ROMY QUEZADA's signature appearing underneath.

7. At the time the two accounts were opened, both the Quezada Sovereign Account and the Quezada Chase account listed the same mailing address in Passaic, New Jersey. As part of this investigation, law enforcement determined the Passaic address is a private residence controlled by J.C., who was the leader of a multi-million dollar SIRF fraud operating in and around Passaic County, New Jersey.

8. As part of this investigation, law enforcement agents have reviewed and analyzed the twenty-six checks deposited into the Quezada Sovereign Account and the Quezada Chase

Account and determined that they are, in fact, Fraudulent Treasury Checks. In most cases, the Treasury Checks were payable to bona fide United States citizens – typically residents of Puerto Rico – whose identities were stolen and used to file fictitious Form W-2s and Form 1040s. In many cases, the Internal Revenue Service discovered two or more Form W-2s on file for a single individual in a single year. Typically, one of these Form W-2s was “legitimate” (issued to the actual individual by their actual employer in the state where they actually lived), while the remaining Form W-2s were fraudulent (filed by apparent identity thieves, claiming that the victim was employed at a location often hundreds or thousands of miles from where the bona fide taxpayer actually lived and worked).

- a. For example, identity theft victim “K.G.O.” is a resident of Puerto Rico. In Tax Year 2010, K.G.O. worked at a company in Puerto Rico and was issued a legitimate Form W-2 by her bona fide employer. At a later date, a second Form W-2 was issued in K.G.O.’s name. This second W-2 claimed that K.G.O. was employed by a fast food restaurant in New York City and earned \$25,636 in 2010. Using this information, a Form 1040 was filed in K.G.O.’s name that claimed a tax refund of \$6,132 and listed K.G.O.’s mailing address as a residence in Passaic, New Jersey. A short time later, a Fraudulent Treasury Check for \$6,197.19 payable to K.G.O. was mailed to that address. On February 7, 2012, that check was deposited into the Quezada Chase Account.
- b. As part of this investigation, law enforcement agents contacted the fast food restaurant in New York City where K.G.O. was supposedly employed in 2010. The restaurant confirmed that no one using K.G.O.’s name or Social Security number was employed by the restaurant at that time.

9. An analysis of the Fraudulent Treasury Checks also revealed that a number of the checks deposited into the Quezada Chase Account were likely obtained by the same source. For example, law enforcement discovered that the mailing address printed on K.G.O.’s Fraudulent Treasury Check was almost identical to the mailing addresses printed on two other Fraudulent Treasury Checks deposited into the Quezada Chase Account that same week. (K.G.O.’s address was listed as “Apt. 5” at a particular address in Passaic, New Jersey, while the other two checks were listed as “Apt. 6” at that same address.) The taxpayer-payees listed on the other two Fraudulent Treasury Checks have Social Security numbers beginning with “598,” which are typically assigned to United States citizens born in Puerto Rico. Based on my training and experience, this pattern is consistent with SIRF scheme, where perpetrators obtain multiple Fraudulent Treasury Checks from a single mailing address, building, or neighborhood.

10. Bank records further confirm that ROMY QUEZADA converted the Fraudulent Treasury Checks to her own use. The debit card linked to the Quezada Chase Account was used to charge expenses at a variety of locations in and around Passaic County, New Jersey, including women's clothing stores, restaurants, fitness centers, and nightclubs. In addition, approximately \$159,103.49 in cash was withdrawn from the Quezada Chase Account during the time alleged in this Complaint.