

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 09- *872 (JBS)*  
v. : 18 U.S.C. § 371  
LUCIANO DI SALVATORE :

I N F O R M A T I O N

The defendant having waived in open court prosecution by indictment, the Acting United States Attorney for the District of New Jersey charges:

1. At all relevant times:

a. Defendant LUCIANO DI SALVATORE was a resident of Sicklerville, New Jersey.

b. Municipal Code Inspections, Inc. ("MCI") was a building inspection company located in Sicklerville, New Jersey. MCI contracted with municipalities to perform building, plumbing, fire, electrical and elevator inspections on behalf of the municipalities.

c. DI SALVATORE and co-conspirators G.D., A.S. and M.S. each had a business interest in MCI.

d. Victor Fabietti, Jr. ("Fabietti") was the accountant for MCI.

2. From in or about 2003 through in or about 2004, in Camden County, in the District of New Jersey and elsewhere, defendant

LUCIANO DI SALVATORE

did knowingly and intentionally conspire and agree with Fabietti, G.D., A.S., M.S. and others to defraud the United States and a

department and agency thereof, specifically, the Internal Revenue Service ("I.R.S.") of the Department of the Treasury, by impeding, impairing, obstructing and defeating the lawful governmental functions of the IRS to ascertain, compute, assess, and collect income taxes.

Object of the Conspiracy

3. It was the object of the conspiracy that when defendant LUCIANO DI SALVATORE and G.D. bought out A.S. and M.S. for their interests in MCI, the conspirators characterized the buyout payments to A.S. and M.S. as loans, rather than as payments for their business interests in MCI so that A.S. and M.S. could hide the payment from the I.R.S. by not reporting the income on their tax returns.

Manners, Means and Acts of the Conspiracy

4. It was part of the conspiracy that in structuring the payment to A.S. and M.S. for their interest in MCI, defendant LUCIANO DI SALVATORE and G.D. characterized the payments as loans to A.S. and M.S. rather than as a buyout.

5. It was further part of the conspiracy that A.S. and M.S. would never repay the "loans" because they were in fact payment to A.S. and M.S. for their interests in MCI and not true loans.

6. It was further part of the conspiracy that A.S. and M.S. did not report on their income tax returns the receipt of

the money paid for their interests in MCI because the payments were purported to be loans when in fact they were not.

7. In furtherance of the conspiracy and to effect its object, the following acts were committed in the District of New Jersey and elsewhere:

a. In or about 2003, defendant LUCIANO DI SALVATORE and G.D. met with Fabietti regarding their intention to compensate A.S. for his interest in MCI. At that meeting, defendant LUCIANO DI SALVATORE and G.D. discussed with Fabietti various options regarding how the buyout payment could be structured.

b. Thereafter, defendant LUCIANO DI SALVATORE and G.D. agreed that they would pay A.S. \$150,000 for his interest in MCI and that they would falsely characterize the buyout payment as a "loan" to A.S. in the books and records of MCI.

c. On or about May 22, 2003, defendant LUCIANO DI SALVATORE and G.D. caused MCI to issue a \$150,000 check payable to A.S. and his wife, which defendant LUCIANO DI SALVATORE signed.

d. On or about May 30, 2003, A.S. deposited the \$150,000 into a bank account in the name of A.S. and his wife.

e. On or about October 18, 2004, A.S. did knowingly file and cause to be filed with the I.R.S. a false and fraudulent joint 2003 Individual Income Tax Return which failed to account

for any of his \$150,000 payment from defendant LUCIANO DI SALVATORE and G.D.

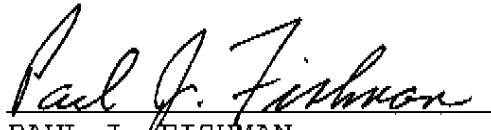
f. In or about 2004, defendant LUCIANO DI SALVATORE and G.D. agreed, in consultation with Fabietti, that they would pay M.S. \$165,000 for his interest in MCI and that they would falsely characterize the buyout payment as a "loan" to M.S. in the books and records of MCI.

g. On or about August 6, 2004, defendant LUCIANO DI SALVATORE and G.D. caused MCI to issue a \$165,000 check payable to M.S.

h. On or about August 9, 2004, M.S. deposited the \$165,000 into his personal bank account.

i. On or about April 15, 2005, M.S. did knowingly file and cause to be filed with the I.R.S. a false and fraudulent joint 2004 Individual Income Tax Return which failed to account for any of his \$165,000 payment from defendant LUCIANO DI SALVATORE and G.D.

In violation of Title 18, United States Code, Section 371.

  
PAUL J. FISHMAN  
United States Attorney