

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 12-
v. : 26 U.S.C. § 7206(1)
WALTER DURHAM :

I N F O R M A T I O N

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

COUNTS 1 TO 3

(Filing False Federal Personal Income Tax Returns)

1. At all times relevant to Counts 1 to 3 of this Information, defendant WALTER DURHAM lived in Union County, New Jersey.

2. On or about May 14, 1998, WALTER DURHAM purchased a three family rental property located at 63 Westervelt Avenue, Plainfield, New Jersey (the "63 Westervelt Property") for approximately \$50,000. After purchasing the property, WALTER DURHAM rented out two of the residences at the 63 Westervelt Property and received rent payments in the form of U.S. Department of Housing and Urban Development ("HUD") Section 8 assistance from the Plainfield Housing Authority and the New

Jersey Department of Community Affairs.

3. On or about October 13, 2006, WALTER DURHAM sold the 63 Westervelt Property for approximately \$375,000. WALTER DURHAM realized approximately \$216,667 in capital gains from his sale of the 63 Westervelt Property.

4. In 2007 and 2008, WALTER DURHAM did not own any property located at 510 East Front Street, Plainfield, New Jersey.

5. From in or about 2006 to in or about 2007, in Union County, New Jersey, defendant WALTER DURHAM intentionally did not disclose any of the approximately \$216,667 in taxable gains that he obtained from selling the 63 Westervelt Property to the accountant who prepared defendant DURHAM's 2006 United States Individual Tax Return and Form 1040.

6. On or about March 2, 2007, defendant WALTER DURHAM caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040 for tax year 2006. Defendant WALTER DURHAM intentionally did not report certain taxable income on the Form 1040 tax return, specifically the \$216,667 in capital gains that he obtained from selling the 63 Westervelt Property.

7. From in or about 2007 to in or about 2009, in Union County, New Jersey, defendant WALTER DURHAM intentionally falsely disclosed to his accountant that he had incurred the following amounts in losses from rental real estate associated with rental real estate property located at 510 East Front Street,

Plainfield, New Jersey, when, in fact, he did not incur any losses from rental real estate in 2007 and 2008:

TAX YEAR	RENTAL REAL ESTATE LOSSES DISCLOSED TO ACCOUNTANT
2007	\$42,708
2008	\$43,594

8. On or about March 21, 2008, defendant WALTER DURHAM caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040 for tax year 2007. On or about February 19, 2009, defendant WALTER DURHAM caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040 for tax year 2008. Defendant WALTER DURHAM intentionally falsely reported rental real estate losses on the Forms 1040 tax returns for 2007 and 2008 in the amounts detailed in paragraph 7. Further, Defendant WALTER DURHAM intentionally counted these real estate losses against his income, thereby falsely representing on his Forms 1040 tax returns for 2007 and 2008 a lower total taxable income.

9. The Forms 1040 for tax years 2006, 2007 and 2008 all contained written declarations that the returns were signed under the penalties of perjury.

The Charges

10. On or about the dates listed below, in Union County, in the District of New Jersey and elsewhere, defendant,

WALTER DURHAM,

knowingly and willfully did make and subscribe the following U.S. Income Tax Returns, which he did not believe to be true and correct as to every material matter:

COUNT	TAX YEAR	DATE	FALSE RETURN
1	2006	March 2, 2007	U.S. Individual Tax Return, Form 1040 for defendant WALTER DURHAM
2	2007	March 21, 2008	U.S. Individual Tax Return, Form 1040 for defendant WALTER DURHAM
3	2008	February 19, 2009	U.S. Individual Tax Return, Form 1040 for defendant WALTER DURHAM

In violation of Title 26, United States Code, Section 7206(1).


PAUL J. FISHMAN
United States Attorney

CASE NUMBER: 12-_____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

WALTER DURHAM

INFORMATION FOR

26 U.S.C. § 7206(1)

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