

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No.
 :
 v. : 26 U.S.C. § 7206(1)
 :
 YANAL KAZAN : I N D I C T M E N T

The Grand Jury in and for the District of New
Jersey, sitting at Newark, charges:

COUNT 1

1. At all times relevant to this Indictment:

(a) Defendant YANAL KAZAN, a resident of Kinnelon,
New Jersey, did engage in a business activity as a chiropractor
with offices at 470 Chamberlain Avenue, Paterson, New Jersey
through various entities that he owned and operated including
Chiropractic Health Associates, Inc.; Chiropractic Healing Arts,
P.C.; and Yanal Kazan, DC, PC d/b/a/ Neck & Back Injury Center
("Neck & Back Injury Center").

(b) Defendant YANAL KAZAN received checks issued
by insurance companies, lawyers, and other parties that were
income derived from defendant YANAL KAZAN's chiropractic business
activity.

(c) Defendant YANAL KAZAN himself and others at
his direction did cash checks that were income derived from his
chiropractic business activity at a check cashing business

located in Paterson, New Jersey (the "Paterson check cashing business").

2. On or about March 7, 2004, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2003 United States Income Tax Return for an S Corporation, Form 1120S, on behalf of Neck & Back Injury Center. That return stated that Neck & Back Injury Center's gross receipts or sales for the calendar year 2003 were \$71,559.

3. The 2003 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center contained and was verified by a written declaration that it was made under the penalties of perjury.

4. The 2003 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center was not true and correct as to every material matter in that the return did not include gross receipts or sales derived from defendant YANAL KAZAN's chiropractic business activity in excess of \$71,559, namely, approximately \$414,703.84 in checks that defendant YANAL KAZAN and others at his direction cashed at the Paterson check cashing business.

5. On or about March 7, 2004, in the District of New Jersey, defendant

YANAL KAZAN

knowingly and willfully did make and subscribe a 2003 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center, as described in paragraph 2, which he did not believe to be true and correct as to every material matter, as described in paragraph 4.

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

COUNT 2

6. Paragraph 1 of Count 1 of this Indictment is hereby realleged and incorporated by reference as though fully set forth herein.

7. On or about February 6, 2004, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2003 United States Income Tax Return for an S Corporation, Form 1120S, on behalf of Chiropractic Healing Arts, P.C. That return stated that Chiropractic Healing Arts, P.C.'s ordinary income for the calendar year 2003 was zero dollars.

8. On or about March 7, 2004, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2003 United States Income Tax Return for an S Corporation, Form 1120S, on behalf of Neck & Back Injury Center. That return stated that Neck & Back Injury Center had a loss for the calendar year 2003 of \$22,881.

9. On or about April 15, 2004, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2003 United States Individual Income Tax Return, Form 1040, on behalf of himself and his spouse. That return stated that defendant YANAL KAZAN and his spouse had a loss from S corporations of \$22,881.

10. The 2003 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse contained and was verified by a written declaration that it was made under the penalties of perjury.

11. The 2003 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse was not true and correct as to every material matter in that the return did not state that defendant YANAL KAZAN's income from his chiropractic business activity was approximately \$295,083.

12. On or about April 15, 2004, in the District of New Jersey, defendant

YANAL KAZAN

knowingly and willfully did make and subscribe a 2003 United States Individual Income Tax Return, Form 1040, as described in paragraph 9, which he did not believe to be true and correct as to every material matter, as described in paragraph 11.

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

COUNT 3

13. Paragraph 1 of Count 1 of this Indictment is hereby realleged and incorporated by reference as though fully set forth herein.

14. On or about February 22, 2005, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2004 United States Income Tax Return for an S Corporation, Form 1120S, on behalf of Neck & Back Injury Center. That return stated that Neck & Back Injury Center's gross receipts or sales for the calendar year 2004 were \$91,110.

15. The 2004 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center contained and was verified by a written declaration that it was made under the penalties of perjury.

16. The 2004 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center was not true and correct as to every material matter in that the return did not include gross receipts or sales derived from defendant YANAL KAZAN's chiropractic business activity in excess of \$91,110, namely, approximately \$227,297.86 in checks that defendant YANAL KAZAN and others at his direction cashed at the Paterson check cashing business.

17. On or about February 22, 2005, in the District of New Jersey, defendant

YANAL KAZAN

knowingly and willfully did make and subscribe a 2004 United States Income Tax Return for an S Corporation, Form 1120S, for Neck & Back Injury Center, as described in paragraph 14, which he did not believe to be true and correct as to every material matter, as described in paragraph 16.

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

COUNT 4

18. Paragraph 1 of Count 1 of this Indictment is hereby realleged and incorporated by reference as though fully set forth herein.

19. On or about February 22, 2005, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2004 United States Income Tax Return for an S Corporation, Form 1120S, on behalf of Neck & Back Injury Center. That return stated that Neck & Back Injury Center had a loss for the calendar year 2004 of \$4,597.

20. On or about April 15, 2005, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2004 United States Individual Income Tax Return, Form 1040, on behalf of himself and his spouse. That return stated that defendant YANAL KAZAN and his spouse had a loss from S corporations of \$4,597.

21. The 2004 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse contained and was verified by a written declaration that it was made under the penalties of perjury.

22. The 2004 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse was not true and correct as to every material matter in that the

return did not state that defendant YANAL KAZAN's income from his chiropractic business activity was approximately \$96,589.

23. On or about April 15, 2005, in the District of New Jersey, defendant

YANAL KAZAN

knowingly and willfully did make and subscribe a 2004 United States Individual Income Tax Return, Form 1040, as described in paragraph 20, which he did not believe to be true and correct as to every material matter, as described in paragraph 22.

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

COUNT 5

24. Paragraph 1 of Count 1 of this Indictment is hereby realleged and incorporated by reference as though fully set forth herein.

25. On or about April 15, 2006, defendant YANAL KAZAN made, subscribed, filed, and caused to be filed with the Internal Revenue Service a 2005 United States Individual Income Tax Return, Form 1040, on behalf of himself and his spouse. That return did include W-2 income of \$79,500 for defendant YANAL KAZAN and did not include any income for the calendar year 2005 from S corporations.

26. The 2005 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse contained and was verified by a written declaration that it was made under the penalties of perjury.

27. The 2005 United States Individual Income Tax Return, Form 1040, for defendant YANAL KAZAN and his spouse was not true and correct as to every material matter in that the return did not include approximately \$38,611 in income from defendant YANAL KAZAN's chiropractic business activity.

28. On or about April 15, 2006, in the District of New Jersey, defendant

YANAL KAZAN

knowingly and willfully did make and subscribe a 2005 United States Individual Income Tax Return, Form 1040, as described in paragraph 25, which he did not believe to be true and correct as to every material matter, as described in paragraph 27.

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

A TRUE BILL

A handwritten signature in cursive script, reading "Paul J. Fishman", written over a horizontal line.

PAUL J. FISHMAN
United States Attorney

FOREPERSON