

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO. 09 - _____**
v. : **DATE FILED: March 24, 2009**
BRUCE T. HUAN : **VIOLATIONS:**
: **26 U.S.C. § 7206(1) (filing a false tax**
: **return – 3 counts)**
: **26 U.S.C. § 7206(2) (aiding and assisting**
: **in the preparation of a false tax return – 3**
: **counts)**
:

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

1. In or about 1982, defendant BRUCE T. HUAN created Centre International Business, Inc. (“CIB”), pursuant to subchapter S of the Internal Revenue Code. For 2002, 2003, and 2004, defendant HUAN prepared and filed Internal Revenue Service (“IRS”) Form 1120S corporate tax returns for CIB, in which defendant HUAN falsely claimed losses attributable to subcontracting fees paid by CIB to defendant HUAN. Defendant HUAN also prepared joint individual IRS Form 1040 tax returns for 2002, 2003, and 2004, on behalf of himself and J.H., a person known to the grand jury, in which defendant HUAN falsely claimed as gross receipts the subcontracting fees claimed on CIB’s corporate tax returns. In fact, CIB did not transact any business in these years, and defendant HUAN did not collect the gross receipts claimed on his individual tax returns.

2. Defendant BRUCE T. HUAN and J.H. each held a five-percent interest in

CIB in 2002, 2003, and 2004. On the joint individual Form 1040 tax returns defendant HUAN prepared and filed on behalf of himself and J.H. for 2002, 2003, and 2004, defendant HUAN falsely claimed a ten-percent share of the total losses defendant HUAN falsely claimed for CIB on its returns. In fact, CIB did not sustain any losses in 2002, 2003, and 2004.

3. By falsely claiming that CIB had business activity in 2002, 2003, and 2004, defendant BRUCE T. HUAN was able to fraudulently claim entitlement to the Earned Income Tax Credit, which is a tax credit program designed to provide funds to the working poor.

4. On or about March 7, 2003, in the Eastern District of Pennsylvania, defendant

BRUCE T. HUAN

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2002, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which defendant HUAN did not believe to be true and correct as to every material matter, in that the return reported that defendant HUAN had losses of \$21,416.02 and gross business receipts of \$214,760.23 attributable to CIB, when, as the defendant HUAN knew, he was not entitled to claim these losses or gross receipts.

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

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One of this Indictment are realleged and incorporated here.
2. On or about February 1, 2004, in the Eastern District of Pennsylvania, defendant

BRUCE T. HUAN

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2003, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which defendant HUAN did not believe to be true and correct as to every material matter, in that the return reported that defendant HUAN had losses of \$21,955.80 and gross business receipts of \$220,158.30 attributable to CIB, when, as the defendant HUAN knew, he was not entitled to claim these losses or gross receipts.

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

COUNT THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One of this Indictment are realleged and incorporated here.
2. On or about February 24, 2005, in the Eastern District of Pennsylvania, defendant

BRUCE T. HUAN

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2004, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which defendant HUAN did not believe to be true and correct as to every material matter, in that the return reported that defendant HUAN had losses of \$23,963.80 and gross business receipts of \$240,138 attributable to CIB, when, as the defendant HUAN knew, he was not entitled to claim these losses or gross receipts.

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

COUNT FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One of this Indictment are realleged and incorporated here.

2. During the calender years 2002, 2003, and 2004, C.H., a person known to the grand jury, held a 90-percent interest in CIB.

3. Independent of CIB, C.H. was employed as a financial analyst. For 2002, 2003, and 2004, defendant BRUCE T. HUAN prepared individual tax returns for C.H., in which C.H. claimed a 90-percent share of the total losses allegedly sustained by CIB. In fact, CIB did not sustain any losses in 2002, 2003, and 2004.

4. On or about May 2, 2003, in the Eastern District of Pennsylvania, defendant

BRUCE T. HUAN

willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation of a United States income tax return, IRS Form 1040, for C.H. for the calendar year 2002, which return was filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, and which return was false and fraudulent as to a material matter in that the return represented that C.H. had losses of \$192,744.20 attributable to CIB, when, as the defendant HUAN knew, C.H. was not entitled to claim these losses.

In violation of Title 26, United States Code, Section 7206(2).

COUNT FIVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count Four of this Indictment are realleged and incorporated here.
2. On or about April 1, 2004, in the Eastern District of Pennsylvania, defendant

BRUCE T. HUAN

willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation of a United States income tax return, IRS Form 1040, for C.H. for the calendar year 2003, which return was filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, and which return was false and fraudulent as to a material matter in that the return represented that C.H. had losses of \$197,602.50 attributable to CIB, when, as the defendant HUAN knew, C.H. was not entitled to claim these losses.

In violation of Title 26, United States Code, Section 7206(2).

COUNT SIX

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count Four of this Indictment are realleged and incorporated here.

2. On or about April 10, 2005, in the Eastern District of Pennsylvania, defendant

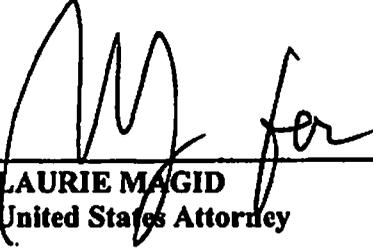
BRUCE T. HUAN

willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation of a United States income tax return, IRS Form 1040, for C.H. for the calendar year 2004, which return was filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, and which return was false and fraudulent as to a material matter in that the return represented that C.H. had losses of \$215,674.20 attributable to CIB, when, as the defendant HUAN knew, C.H. was not entitled to claim these losses.

In violation of Title 26, United States Code, Section 7206(2).

A TRUE BILL:

GRAND JURY FOREPERSON



LAURIE MAGID
United States Attorney