

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA)	CRIM. NO. <u>15cr10203</u>
)	
)	VIOLATIONS
v.)	
)	26 U.S.C. §7201 (Attempt
KEITH A. EATON,)	to Evade or Defeat a Tax)
)	
)	26 U.S.C. §7206(1) (Filing a
Defendant.)	False Tax Return)
)	
)	26 U.S.C. §7203 (Willful Failure
)	to File a Return)

INDICTMENT

The Grand Jury charges that:

INTRODUCTION

At times relevant to this Indictment,

1. The defendant KEITH A. EATON (Eaton), a resident of West Bridgewater, Massachusetts, worked in the business of installing, maintaining and repairing heating and air conditioning units (HVAC).

2. The Internal Revenue Service (IRS) is and was an agency of the United States Department of the Treasury. The IRS has responsibility for the ascertainment, computation, assessment, and collection of taxes, including income taxes.

3. EATON did not file federal income tax returns for the years 1998 through 2003. In or about May 2004, the IRS assessed against EATON approximately \$280,337 in

taxes, interest, and penalties for the years 1998 through 2001.

4. From approximately November 2004 to April 2008, EATON worked at an HVAC company located in Brockton, Massachusetts. From 2004 to 2008, EATON received income from the company in the following amounts: \$15,000 in 2004, \$80,804 in 2005, \$92,999 in 2006, \$95,286 in 2007, and \$29,394 in 2008. Because EATON requested that taxes not be withheld from his pay for the tax years 2004 through 2008, the HVAC company provided EATON with Forms 1099 reflecting his income. EATON did not file timely Forms 1040 with the IRS for these years.

5. In or about November 2008, EATON began operating Eaton Mechanical, LLC, another HVAC business. Although EATON controlled and operated the business, he caused the company to be registered with the town of West Bridgewater in the name of a nominee and caused the nominee to be listed as the sole signatory on the business' bank account.

6. In or about November and December 2009, EATON caused to be submitted to the IRS false Forms 1040 for himself for the years 2000 through 2008 which he knew failed to report his income for those years. Defendant EATON submitted, along with some of these false Forms 1040, Forms 1099-MISC in which he changed to zero the amount of non-employee compensation that had been reported as received by EATON from the companies for whom he had performed work. For instance, EATON attached to his 2004 Form 1040 an altered Form 1099-MISC in which he changed the amount of non-employee compensation he received from a HVAC company from \$15,000 to \$0.

7. To thwart the IRS's collection efforts, EATON paid personal expenses with cash. For example, from at least January 2008 through June 2012, EATON paid more than \$175,000 in mortgage payments by and through Western Union.

COUNT ONE
Attempt to Evade or Defeat Tax
(Title 26, United States Code, Section 7201)

8. The Grand Jury realleges and incorporates by reference paragraphs one through seven of this Indictment and further charges that:

9. From in or about November 2008, and continuing up to the date of this Indictment, in the District of Massachusetts and elsewhere, the defendant,

KEITH A. EATON,

did willfully attempt to evade and defeat the payment of a large part of the income tax, interest, and penalties due and owing by him to the United States of America for the calendar years 1998 through 2001, by committing affirmative acts of evasion, including but not limited to:

a. causing Eaton Mechanical, LLC to be registered and operated in the name of a nominee rather than in his own name;

b. causing a business account for Eaton Mechanical, LLC to be opened and maintained in the name of a nominee rather than in his own name;

c. filing false tax returns and false Forms 1099-MISC for the years 2004 through 2008; and

d. using cash to pay personal expenses.

All in violation of Title 26, United States Code, Section 7201.

COUNTS TWO THROUGH SIX
Filing of a False Income Tax Return
(Title 26, United States Code, Section 7206(1))

10. The Grand Jury realleges and incorporates by reference paragraphs one, two, four, five and six of this Indictment and further charges that:

11. On or about the dates set forth below, in the District of Massachusetts and elsewhere, the defendant

KEITH A. EATON,

did willfully make and subscribe a U.S. Individual Income Tax Return (Form 1040) for each tax year identified below, each of which returns was verified by a written declaration that it was made under the penalties of perjury, which returns EATON did not believe to be true and correct as to every material matter, to wit: the Forms 1040, for the tax years identified below, which were filed with the IRS, stated at line 22 that EATON reported total income in the amounts identified below whereas, as EATON then and there knew, EATON received substantially more income than reported, to wit:

Count	Approximate Filing Date	Tax Year	Line Item	Amount Reported
2	November 17, 2009	2004	Line 22 Total Income	\$0
3	November 17, 2009	2005	Line 22 Total Income	\$0
4	December 1, 2009	2006	Line 22 Total Income	\$0
5	December 1, 2009	2007	Line 22 Total Income	\$0
6	December 1, 2009	2008	Line 22 Total Income	\$0

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

COUNTS SEVEN THROUGH TEN
Willful Failure to File a Return
(Title 26, United States Code, Section 7203)

12. The Grand Jury realleges and incorporates by reference paragraphs one and two of this Indictment and further charges that:

13. During the calendar years set forth below, the defendant,

KEITH A. EATON,

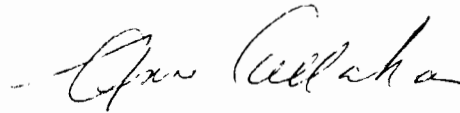
had and received gross income in excess of the amounts of minimum gross income set forth below. By reason of such gross income, he was required by law, following the close of the calendar year and on or before the due dates set forth below, to make an income tax return to the IRS, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing all of the foregoing, EATON did willfully fail, on or about the dates set forth below, in the District of Massachusetts and elsewhere, to make an income tax return as required by law:

Count	Calendar Year of Tax Return	Minimum Gross Income	Due Date of Return
7	2009	\$18,700	April 15, 2010
8	2010	\$18,700	April 18, 2011
9	2011	\$19,000	April 17, 2012
10	2012	\$19,500	April 15, 2013

All in violation of Title 26, United States Code, Section 7203.

A TRUE BILL

Date:



FOREPERSON

CARMEN M. ORTIZ
UNITED STATES ATTORNEY

By:



KENNETH C. VERT
Trial Attorney
U.S. Department of Justice, Tax Division

By:



BRITTNEY N. CAMPBELL
Trial Attorney
U.S. Department of Justice, Tax Division

U.S. District Court for the District of Massachusetts
Case No. 15-cr-10203-WGY

Criminal Case Cover Sheet

U.S. District Court - District of Massachusetts

Place of Offense: _____ Category No. 2 Investigating Agency IRS

City West Bridgewater Related Case Information:

County Plymouth Superseding Ind. Inf. _____ Case No. _____
Same Defendant _____ New Defendant _____
Magistrate Judge Case Number _____
Search Warrant Case Number _____
R 20 R 40 from District of _____

Defendant Information:

Defendant Name Keith E. Alon Juvenile: Yes No
Is this person an attorney and/or a member of any state/federal bar: Yes No

Alias Name _____

Address _____ (City & State)

Birth date (Yr only) 1965 SSN (last 4) 7541 Sex M Race White Nationality: _____

Defense Counsel if known: _____ Address _____

Bar Number _____

U.S. Attorney Information:

AUSA Kenneth Vert and Britteny Campbell, Tax Division Bar Number if applicable _____

Interpreter: Yes No List language and/or dialect: _____

Victims: Yes No If yes, are there multiple crime victims under 18 SC§3771(d)(2) Yes No

Matter to be SEALED: Yes No

Warrant Requested Regular Process In Custody

Location Status:

Arrest Date _____

Already in Federal Custody as of _____ in _____

Already in State Custody at _____ Serving Sentence Awaiting Trial

On Pretrial Release: Ordered by: _____ on _____

Charging Document: Complaint Information Indictment

Total # of Counts: Petty _____ Misdemeanor 4 Felony 6

Continue on Page 2 for Entry of U.S.C. Citations

I hereby certify that the case numbers of any prior proceedings before a Magistrate Judge are accurately set forth above.

Date: July 17, 2015 Signature of AUSA: Britteny Campbell

District Court Case Number (To be filled in by deputy clerk): _____

Name of Defendant _____

U.S.C. Citations

	<u>Index Key/Code</u>	<u>Description of Offense Charged</u>	<u>Count Numbers</u>
Set 1	<u>26 USC 7201</u>	<u>Tax Evasion</u>	<u>Count 1</u>
Set 2	<u>26 USC 7206(1)</u>	<u>Filing False Tax Return</u>	<u>Counts 2 - 6</u>
Set 3	<u>26 USC 7203</u>	<u>Failure to File Tax Return</u>	<u>Counts 7 - 10</u>
Set 4	_____	_____	_____
Set 5	_____	_____	_____
Set 6	_____	_____	_____
Set 7	_____	_____	_____
Set 8	_____	_____	_____
Set 9	_____	_____	_____
Set 10	_____	_____	_____
Set 11	_____	_____	_____
Set 12	_____	_____	_____
Set 13	_____	_____	_____
Set 14	_____	_____	_____
Set 15	_____	_____	_____

ADDITIONAL INFORMATION: _____

