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IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA )

v. )

WILLIAM M. RAINS and )  
DANIELLE S. RAINS )

Criminal No. 18-153

(18 U.S.C. § 2, 371 and 26 U.S.C. § 7201)

INDICTMENT

The grand jury charges:

COUNT ONE

GENERAL ALLEGATIONS

**FILED**

JUN 12 2018

CLERK U.S. DISTRICT COURT  
WEST. DIST. OF PENNSYLVANIA

1. At various times relevant to this Indictment:

a. Defendants WILLIAM M. RAINS and DANIELLE S. RAINS resided in Imperial, Pennsylvania and Aliquippa, Pennsylvania, in the Western District of Pennsylvania.

b. Defendants WILLIAM M. RAINS and DANIELLE S. RAINS were husband and wife, married in or around 2003.

c. The Internal Revenue Service (“IRS”) was an agency within the United States Department of Treasury responsible for administering and enforcing the internal revenue laws regarding the ascertainment, computation, assessment, and collection of taxes owed to the United States by its citizens and residents.

Overview

2. From in and around 2000 through at least December 2016, Defendant WILLIAM M. RAINS received commissions and other payments relating to insurance sales. Defendant WILLIAM M. RAINS sold insurance for several different insurance companies, including Insurance Company A, Insurance Company B, Insurance Company C, Insurance Company D, and

Insurance Company E. Prior to 2000, Defendant WILLIAM M. RAINS earned income making and fitting prosthetics.

3. Defendant WILLIAM M. RAINS failed to file his 1997, 1999, 2003, 2004, 2005, and 2006 individual income tax returns despite earning taxable income in those years. Defendant WILLIAM M. RAINS filed false “zero returns” for 2000 and 2001, in which he reported zero income, despite earning taxable income in those years. Defendant WILLIAM M. RAINS filed a 2008 individual income tax return, reporting income and taxes due, but failed to pay the assessed tax for that year.

4. Defendant WILLIAM M. RAINS was assessed federal income taxes for the tax years and amounts as set forth below:

Tax Year	Assessment Amount	Approximate Date Assessed by IRS
1997	\$7,317	2/16/2004
1999	\$3,132	2/16/2004
2000	\$10,684	4/26/2004
2001	\$6,831	1/12/2004
2003	\$9,286	10/15/2007
2004	\$93,437	10/15/2007
2005	\$46,730	10/15/2007
2006	\$23,776	1/5/2009
2008	\$6,441	4/18/2011

5. From in or around July 2005 through in or around December 2016, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS engaged in a scheme to evade the payment of Defendant WILLIAM M. RAINS’s federal income taxes through the use of entities, nominees, multiple bank accounts, and a false document submitted to the IRS to conceal from the IRS income and assets belonging to WILLIAM M. RAINS.

#### IRS Actions

6. On or about July 8, 2005, in response to an IRS Notice of Levy pertaining to the 2001 tax year for bank accounts belonging to Defendant WILLIAM M. RAINS, Dollar Bank

provided to the IRS \$10,308.30 from joint account # xxxx1655 held by Defendants WILLIAM M. RAINS and DANIELLE S. RAINS.

7. On or about November 27, 2006, the IRS sent a Notice of Balance Due to Defendant WILLIAM M. RAINS pertaining to his 1997, 1999, 2000, and 2001 income taxes.

8. On or about January 10, 2007, the IRS issued notices of levy to Insurance Company A for Defendant WILLIAM M. RAINS's income from Insurance Company A and to Dollar Bank for assets held in Defendant WILLIAM M. RAINS's name.

9. On or about May 9, 2007, the IRS issued a Notice of Levy regarding Defendant WILLIAM M. RAINS's income from Insurance Company B.

10. Similarly, on or about June 6, 2007, the IRS issued a Notice of Levy regarding Defendant WILLIAM M. RAINS's income from Insurance Company C.

11. On or about July 30, 2008, the IRS issued a notice of deficiency to Defendant WILLIAM M. RAINS for the tax year 2006 in the amount of \$34,666.

12. On or about July 18, 2011, the IRS issued a Notice of Levy to First Commonwealth Bank for any assets held in Defendant WILLIAM M. RAINS's bank accounts.

13. Beginning in or around July 2005, and continuing through in or around December 2016 in the Western District of Pennsylvania, and elsewhere, the defendants, WILLIAM M. RAINS and DANIELLE S. RAINS, did unlawfully, voluntarily, intentionally and knowingly conspire, combine, confederate, and agree together, and with each other to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government function of the IRS of the Treasury Department, in the collection of revenue: to wit, Defendant WILLIAM M. RAINS's outstanding individual income taxes.

OBJECT OF THE CONSPIRACY

14. The object of the conspiracy was for the Defendants WILLIAM M. RAINS and DANIELLE S. RAINS to obstruct, impede, and impair the IRS in their efforts to collect outstanding taxes owed by Defendant WILLIAM M. RAINS to the United States Treasury.

MANNER AND MEANS OF THE CONSPIRACY

15. It was part of the conspiracy that the Defendants WILLIAM M. RAINS AND DANIELLE S. RAINS carried out the conspiracy to defraud the United States through the following manner and means, among others:

- a. opening numerous bank accounts and moving money between the accounts to impede the IRS's collection efforts;
- b. titling assets belonging in whole or in part to Defendant WILLIAM M. RAINS in Defendant DANIELLE S. RAINS's name;
- c. causing false forms to be submitted to the IRS;
- d. creating and causing to be created business entities for the purpose of directing companies to pay income earned by Defendant WILLIAM M. RAINS to those entities;
- e. opening accounts in the names of entities and depositing and causing to be deposited income into those accounts;

f. purchasing and causing to be purchased multiple certified bank checks to temporarily remove assets from bank accounts.

OVERT ACTS

16. In furtherance of the conspiracy to defraud, and to achieve its objectives, at least one of the co-conspirators performed or caused to be performed at least one of the following acts, among others, in the Western District of Pennsylvania and elsewhere:

a. On or about July 14, 2005, approximately six days after the IRS filed a Notice of Levy on accounts held by Defendant WILLIAM M. RAINS at Dollar Bank, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS withdrew and caused to be withdrawn \$310,424.23 from their Dollar Bank joint account.

b. On or about July 14, 2005, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS opened and caused to be opened an account # xxxx4886 at First Commonwealth Bank in the name of Defendant DANIELLE S. RAINS only. The Defendants deposited and caused to be deposited approximately \$307,424.23 into DANIELLE S. RAINS's First Commonwealth Bank account. On that same day, the Defendants opened a joint account # xxxx3950 at First Commonwealth Bank and deposited and caused to be deposited approximately \$2,000 into the joint First Commonwealth Bank account.

c. Between in and around July 2005 and in and around August of 2009, the Defendants WILLIAM M. RAINS and DANIELLE S. RAINS deposited and transferred, and caused to be deposited and transferred, funds from the Defendant's joint First Commonwealth Bank account # xxxx3950 into DANIELLE S. RAINS's First Commonwealth Bank account # xxxx4886, including income and assets belonging to Defendant WILLIAM M. RAINS.

d. On or about December 19, 2006, Defendant WILLIAM M. RAINS caused to be organized Amerisure International LLC with the Commonwealth of Pennsylvania Department of State.

e. On or about January 18, 2007, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS opened a business checking account # xxxx1972 at First Commonwealth Bank under the name Amerisure International LLC. Defendant WILLIAM M. RAINS was listed as the “president” on the account signature card. Defendant DANIELLE S. RAINS was listed as “office manager” on the signature card.

f. On or about January 19, 2007, Defendant WILLIAM M. RAINS sent and caused to be sent an assignment of commissions form directing Insurance Company D to assign commissions earned by Defendant WILLIAM M. RAINS to Amerisure International LLC.

g. From on or about January 25, 2007 to on or about October 16, 2007, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS deposited and caused to be deposited over \$120,000 of Defendant WILLIAM M. RAINS’s income into the Amerisure International LLC account at First Commonwealth Bank.

h. On or about May 15, 2008, Defendant WILLIAM M. RAINS caused to be prepared a false and incomplete IRS Form 433-A, an IRS Form 433-A, Collection Information Statement for Wage Earners and Self-Employed Individuals, which provides to the IRS a taxpayer’s personal financial and asset information in preparation of a possible offer in compromise between the taxpayer and the IRS, as part of an attempted offer in compromise with the IRS. Defendant WILLIAM M. RAINS omitted financial and asset information on the Form 433-A, to include, among other things, bank accounts he held jointly with Defendant DANIELLE S. RAINS, money held in accounts solely in Defendant DANIELLE S. RAINS’ name and bank accounts in the name of entities, including Amerisure International.

i. On or about July 8, 2008, Defendant WILLIAM M. RAINS organized Secured Financial Group LLC with the Commonwealth of Pennsylvania Department of State.

j. On or about August 28, 2008, Defendant WILLIAM M. RAINS entered into a work contract with Insurance Company E using the entity name Secured Financial Group. Defendant WILLIAM M. RAINS directed that his subsequent compensation from Insurance Company E be paid to Secured Financial Group.

k. On or about November 6, 2008, Defendant WILLIAM M. RAINS opened account # xxxx0817 at First National Bank using the entity name Secured Financial Group.

l. On or about December 15, 2008, Defendant DANIELLE S. RAINS opened and caused to be opened personal investment account # xxxx9727 at First Commonwealth Bank.

m. On or about January 9, 2009, Defendant DANIELLE S. RAINS withdrew approximately \$404,000 from First Commonwealth Bank account # 4886, and deposited the money into First Commonwealth Bank account # xxxx9727.

n. On or about February 12, 2009, Defendant DANIELLE S. RAINS withdrew \$260,402 from First Commonwealth Bank account # xxxx9727.

o. On or about February 12, 2009, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS purchased and caused to be purchased a home in Aliquippa, Pennsylvania for \$260,402, titled in the name of Defendant DANIELLE S. RAINS.

p. On or about August 24, 2009, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS transferred approximately \$40,774.15 from Amerisure International LLC business checking account # xxxx1972 at First Commonwealth Bank into Defendant DANIELLE S. RAINS's First Commonwealth Bank account # xxxx9727.

q. On or about August 25, 2009, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS deposited and caused to be deposited a check for \$45,000 from Secured

Financial Group's bank account into Defendant DANIELLE S. RAINS's First Commonwealth account # xxxx9727.

r. On or about July 23, 2011, approximately five days after the IRS attempted to levy First Commonwealth Bank joint account # xxxx3950, Defendants WILLIAM M. RAINS and DANIELLE S. RAINS withdrew and caused to be withdrawn approximately \$190,455.50 from Defendant DANIELLE S. RAINS's First Commonwealth Bank account # xxxx9727. On or about that same day, Defendant DANIELLE S. RAINS withdrew approximately \$38,571.01 from First Commonwealth Bank Account # xxxx4886.

s. On or about August 1, 2011, Defendant DANIELLE S. RAINS opened a share savings account at West Aircomm Federal Credit Union, account # xxxx7-017, and deposited \$189,950.89 into the account.

t. On or about March 2, 2012, Defendant DANIELLE S. RAINS purchased a West Aircomm Federal Credit Union certified bank check for \$129,398.95.

u. On or about May 30, 2012, Defendant DANIELLE S. RAINS deposited \$129,398.95 into West Aircomm Federal Credit Union account # xxxx7-017. That same day, Defendant DANIELLE S. RAINS acquired an official West Aircomm Federal Credit Union certified bank check for \$129,398.95.

v. On or about June 13, 2012, Defendant WILLIAM M. RAINS deposited two checks totaling \$556.81 from Insurance Company E made payable to Secured Financial Group, LLC into First National Bank account # xxxx0817 in the name of Secured Financial Group.

w. On or about June 19, 2012, Defendant WILLIAM M. RAINS deposited a check in the amount of \$525.56 made payable to himself into First National Bank account # xxxx0817 in the name of Secured Financial Group.



x. On or about August 31, 2012, Defendant DANIELLE S. RAINS brought the May 30, 2012 certified bank check to the West Aircomm Federal Credit Union branch in Beaver, PA and deposited \$119,398.05 of it into the West Aircomm Federal Credit Union account, account # xxxx7-017, cashing the remaining \$10,000.

y. On or about December 9, 2014, Defendant WILLIAM M. RAINS authorized Insurance Company E to pay commissions by direct deposit to Secured Financial Group account # xxxx0817.

z. From on or about December 9, 2014 through at least on or about December 9, 2016, Defendant WILLIAM M. RAINS caused to be deposited income from Insurance Company E into Secured Financial Group account # xxxx0817.

All in violation of Title 18 United States Code, Section 371.

**COUNT TWO**

The grand jury further charges:


17. The grand jury realleges and incorporates by this reference paragraphs 1 and 6 of this Indictment, in their entirety, as though fully set forth herein.

18. Beginning on or about July 14, 2005 and continuing thereafter up to on or about December 31, 2016, in the Western District of Pennsylvania and elsewhere, the defendants, WILLIAM M. RAINS and DANIELLE S. RAINS, did willfully attempt to evade and defeat the payment of a substantial part of the taxes due and owing by Defendant WILLIAM M. RAINS to the United States of America for the tax years 1997 through 2008 by committing the following affirmative acts, among others: (a) transferring money belonging to Defendant WILLIAM M. RAINS into other bank accounts held solely in Defendant DANIELLE S. RAINS's name; (b) using entities they controlled to hide assets and income belonging to WILLIAM M. RAINS; (c) using bank accounts held in Defendant DANIELLE S. RAINS's name to keep income and assets of Defendant WILLIAM M. RAINS out of the reach of the IRS; (d) titling assets in the name of Defendant DANIELLE S. RAINS only; and (e) causing the submission of false IRS forms to the IRS.

All in violation of Title 26, United States Code, Section 7201, and Title 18, United States Code, Section 2.

A True Bill,

  
Foreperson

  
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SCOTT W. BRADY  
United States Attorney  
PA ID No. 88352