

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 12-
 :
 v. : 26 U.S.C. § 7201
 :
 NICHOLAS PAPANIER, Sr. : 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:

1. At all times relevant to this Information:

a. Defendant NICHOLAS PAPANIER, Sr. was a resident of Sewell, New Jersey, and owned Primos Hoagies Franchising, a company that sold the franchising rights of Primos Hoagies. Defendant PAPANIER also owned Nellie's Provisions, a meat distribution company that provided all of the meat for Primos Hoagies franchises and other independent restaurants.

b. Defendant NICHOLAS PAPANIER, Sr. and his wife maintained numerous personal bank accounts at Commerce Bank, N.A. (currently TD Bank, N.A.), PNC Bank and St. Edmonds Federal Savings Bank.

2. In 2006, 2007 and 2008, defendant NICHOLAS PAPANIER, Sr.:

a. caused Primos Hoagies franchise owners to buy Thumanns meats and cheeses from Nellie's Provisions, which the

owners did, often paying in cash;

b. took significant amounts of the cash Primo Hoagies franchise owners paid to Nellie's Provisions and deposited it into his personal bank account;

c. used the money from his personal account to pay personal expenditures; and

d. in total, diverted approximately \$556,666 in cash as follows: 2006 - \$56,395; 2007 - \$349,264; and 2008 - \$151,005.

3. For tax years 2006, 2007 and 2008, defendant NICHOLAS PAPANIER, Sr. reported to the Internal Revenue Service Form W-2 wages, interest and dividend income, and property tax information, but omitted all of the diverted cash which the defendant used for his personal benefit. Thus, he failed to disclose and report a significant portion of this income on his tax returns, thereby causing those tax returns to substantially understate the amount of income he received.

4. On or about April 17, 2007 defendant NICHOLAS PAPANIER, Sr. filed a 2006 tax return on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2006 was \$76,853 and the amount of tax due and owing was \$12,102.

5. The return did not include approximately \$56,395 in additional taxable income defendant NICHOLAS PAPANIER, Sr. received in 2006. Upon this income, an additional tax of

approximately \$14,352 was due and owing to the United States.

6. On or about April 18, 2008 defendant NICHOLAS PAPANIER, Sr. filed a 2007 tax return on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2007 was \$246,391 and the amount of tax due and owing was \$59,624.

7. The return did not include approximately \$349,264 in additional taxable income defendant NICHOLAS PAPANIER, Sr. received in 2007. Upon this income, an additional tax of approximately \$122,361 was due and owing to the United States.

8. On or about April 11, 2009 defendant NICHOLAS PAPANIER, Sr. filed a 2008 tax return on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2008 was \$194,784 and the amount of tax due and owing was \$50,252.

9. The return did not include approximately \$151,005 in additional taxable income defendant NICHOLAS PAPANIER, Sr. received in 2008. Upon this income, an additional tax of approximately \$52,852 was due and owing to the United States.


10. The additional tax due and owing to the United States for tax years 2006, 2007 and 2008 was \$189,565.

11. On or about April 18, 2008, in the District of New Jersey, defendant

NICHOLAS PAPANIER, Sr.

knowingly and willfully did attempt to evade and defeat a substantial part of the income tax due and owing to the United States in that he signed and caused to be filed a false and fraudulent 2007 U.S. Individual Income Tax Return, Form 1040, described in paragraph 6 of this Information, knowing it to be false and fraudulent as described in paragraph 7 of this Information.

In violation of Title 26, United States Code, Section 7201.


PAUL J. FISHMAN
United States Attorney

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UNITED STATES OF AMERICA

v.

NICHOLAS PAPANIER, Sr.

INFORMATION FOR

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