

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 12-
 :
 v. : 26 U.S.C. § 7201
 :
 SCOTT SALKIND : 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 SCOTT SALKIND was a resident of Medford, New Jersey, who was a licensed Doctor of Osteopathy in New Jersey.
 - b. Defendant SCOTT SALKIND owned and operated medical offices in New Jersey under the name of General Medical of New Jersey, Inc. ("General Medical"). Defendant SALKIND maintained a business bank account in the name of General Medical at Wells Fargo Bank (formerly Wachovia) (the "General Medical bank account").
 - c. Defendant SCOTT SALKIND maintained a business bank account in the name of SAS Realty at Commerce Bank (the "SAS Realty bank account").
 - d. Defendant SCOTT SALKIND maintained personal bank accounts at Commerce Bank.

2. In 2005, 2006, 2007 and 2008, defendant SCOTT SALKIND:
- a. owned and operated three medical practices located in Pomona, Mount Laurel and Audubon, New Jersey under the name General Medical;
 - b. General Medical and defendant SALKIND had not contracted with any health insurance company for payment of services rendered to patients and did not belong to any health insurance company network of doctors;
 - c. Defendant SALKIND had an agreement with his patients that he would submit insurance claims to the patients health insurance companies for services provided and would accept whatever amount the insurance companies paid for the services provided;
 - d. Defendant SALKIND accepted insurance payments as payment in full for the services he provided and did not charge patients a co-payment or any deductible;
 - e. Payments from insurance companies sometimes were made payable to General Medical and mailed directly to General Medical. Payments were also made payable directly to patients and mailed to the patients, in which case, patients then delivered the insurance checks to defendant SALKIND as payment for the medical services provided;
 - f. Defendant SALKIND deposited, and caused to be deposited, his business income into the General Medical bank

account which consisted of insurance payment checks payable to General Medical. The deposits into this account were used to arrive at Gross Receipts reported on General Medical's corporate income tax returns;

g. Defendant SALKIND deposited, and caused to be deposited, numerous health insurance company checks payable to his patients into the SAS Realty account. When the insurance checks cleared, defendant SALKIND withdrew the money by writing checks to himself to purchase cashier's checks made payable to himself. Defendant SALKIND then deposited those checks into his personal bank account or used the money to pay personal expenses; and

h. Defendant SALKIND also deposited numerous medical insurance company checks payable to his patients into his personal bank account at Commerce Bank. Thereafter, defendant SALKIND used the money from his personal account to pay personal expenditures.

i. In total, defendant SCOTT SALKIND diverted approximately \$1,000,000 in income to a shell company bank account under his control and then withdrew the money in the form of cashier's checks which were made payable to himself, as follows: 2005 - \$245,554; 2006 - \$219,356; 2007 - \$311,841; and 2008 - \$257,874.

3. For tax years 2005, 2006, 2007 and 2008, defendant

SCOTT SALKIND reported to the Internal Revenue Service Form W-2 wages, interest and dividend income, and State of New Jersey tax refunds, but omitted all of the diverted insurance checks 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 October 16, 2006 defendant SCOTT SALKIND filed a 2005 tax return on behalf of himself. That return stated that his taxable income for the calendar year 2005 was \$50,645 and the amount of tax due and owing was \$12,365.

5. The return did not include approximately \$242,521 in additional taxable income defendant SCOTT SALKIND received in 2005. Upon this income, an additional tax of approximately \$46,843 was due and owing to the United States.

6. On or about December 10, 2007 defendant SCOTT SALKIND filed a 2006 tax return on behalf of himself. That return stated that his taxable income for the calendar year 2006 was \$56,014 and the amount of tax due and owing was \$11,231.

7. The return did not include approximately \$249,305 in additional taxable income defendant SCOTT SALKIND received in 2006. Upon this income, an additional tax of approximately \$48,446 was due and owing to the United States.

8. On or about September 24, 2008 defendant SCOTT SALKIND

filed a 2007 tax return on behalf of himself. That return stated that his taxable income for the calendar year 2007 was \$59,067 and the amount of tax due and owing was \$12,615.

9. The return did not include approximately \$307,301 in additional taxable income defendant SCOTT SALKIND received in 2007. Upon this income, an additional tax of approximately \$57,626 was due and owing to the United States.

10. On or about October 5, 2009 defendant SCOTT SALKIND filed a 2008 tax return on behalf of himself. That return stated that his taxable income for the calendar year 2008 was \$136,973 and the amount of tax due and owing was \$39,058.

11. The return did not include approximately \$250,148 in additional taxable income defendant SCOTT SALKIND received in 2008. Upon this income, an additional tax of approximately \$45,165 was due and owing to the United States.

12. The additional tax due and owing to the United States for tax years 2005, 2006, 2007 and 2008 was \$198,080.

13. On or about September 24, 2008, in the District of New Jersey, defendant

SCOTT SALKIND

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 8 of this Information, knowing it to be false and fraudulent as described in paragraph 9 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

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INFORMATION FOR

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PAUL J. FISHMAN.

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