

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 14-
:
: Hon.
v. :
: 26 U.S.C. § 7206(2)
DAIDRY MONTANEZ :

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:

COUNT ONE
(TAX YEAR 2009)

1. At all times relevant to this Information, defendant Daidry Montanez was a resident of Essex County, New Jersey, and was self-employed as a preparer of federal income tax returns.

2. At all times relevant to this Information, defendant Daidry Montanez was the owner and operator of DM Multiservices, which operates in Newark, New Jersey ("DM Multiservices").

3. At various times relevant to this Information, defendant Daidry Montanez:

a. Met with individual taxpayers at DM Multiservices to collect information and materials relating to their United States individual income tax returns;

b. Prepared false United States individual income tax returns for her clients by fabricating and inflating itemized deductions by including in her clients' returns one, or a combination of, fraudulent Schedule A, fraudulent Schedule C, or fraudulent Schedule E;

c. Deducted these items despite the fact that her clients had not incurred such expenses, had not submitted documentary evidence to substantiate these expenses, and had not represented that they incurred such expenses; and

d. Charged clients a fee for her services that ranged from approximately \$100 to \$200 per return.

4. From on or about February 15, 2010 through on or about May 20, 2013, Daidry Montanez prepared at least 37 United States individual income tax returns on behalf of her clients, which returns contained either falsely claimed Schedule A deductions or fabricated Schedule C and Schedule E deductions, as set forth in paragraphs 3(b) and 3(c) above ("Fraudulent Returns").

5. On or about April 15, 2010, defendant Daidry Montanez prepared a 2009 United States individual income tax

return, Form 1040, for Individual 1. That return indicated that, for calendar year 2009, Individual 1 was entitled to itemized Schedule C deductions including rent or lease of other business property, totaling \$14,800.

6. During calendar year 2009, as defendant Daidry Montanez well knew, Individual 1 was not entitled to claim income tax deductions in the amount of \$14,800.

7. During calendar year 2009, as defendant Daidry Montanez well knew, Individual 1 was not entitled to a tax refund in the amount of \$4,610.

8. On or about April 15, 2010, in the District of New Jersey and elsewhere, the defendant,

DAIDRY MONTANEZ,

did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of Individual 1 for the calendar year 2009 which was false and fraudulent as to a material matter, in that it represented that Individual 1 was entitled under the provisions of the Internal Revenue laws to claim Schedule C deductions in the total sum of \$14,800, when in fact, as the defendant then and there knew, Individual 1 was not entitled to claim any Schedule C deductions for the calendar year.

In violation of Title 26, United States Code, Section

7206(2).

COUNT TWO
(TAX YEAR 2010)

1. The allegations set forth in paragraphs 1 through 4 of Count One are repeated and realleged as though fully set forth herein.

2. On or about April 15, 2011, defendant Daidry Montanez prepared a 2010 United States individual income tax return, Form 1040, for Individual 2. That return indicated that, for calendar year 2010, Individual 2 was entitled to itemized Schedule C deductions including rent or lease of other business property, supplies, and travel, totaling \$20,900.

3. During calendar year 2010, as defendant Daidry Montanez well knew, Individual 2 was not entitled to claim income tax deductions in the amount of \$20,900.

4. During calendar year 2010, as defendant Daidry Montanez well knew, Individual 2 was not entitled to a tax refund in the amount of \$5,483.

5. On or about April 15, 2011, in the District of New Jersey and elsewhere, the defendant,

DAIDRY MONTANEZ,

did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of Individual 2 for the calendar year 2010 which was false and fraudulent as to a material matter, in that it represented that

Individual 2 was entitled under the provisions of the Internal Revenue laws to claim Schedule C deductions in the total sum of \$20,900, when in fact, as the defendant then and there knew, Individual 2 was not entitled to claim any Schedule C deductions for the calendar year.

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

COUNT THREE
(TAX YEAR 2011)

1. The allegations of set forth in paragraphs 1 through 4 of Count One are repeated and realleged as though fully set forth herein.

2. On or about April 15, 2012, defendant Daidry Montanez prepared a 2011 United States individual income tax return, Form 1040, for Individual 3. That return indicated that, for calendar year 2011, Individual 3 was entitled to Schedule A deductions including home mortgage interest and points, state or local income tax, and unreimbursed employee expenses, totaling \$17,360 and was also entitled to itemized Schedule E deductions including rental real estate activities with net loss, totaling \$25,000.

3. During calendar year 2011, as defendant Daidry Montanez well knew, Individual 3 was not entitled to claim income tax deductions in the amount of \$42,360.

4. During calendar year 2011, as defendant Daidry Montanez well knew, Individual 3 was not entitled to a tax refund in the amount of \$7,834.

5. On or about April 15, 2012, in the District of New Jersey and elsewhere, the defendant,

DAIDRY MONTANEZ,

did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue

Service, of a U.S. Individual Income Tax Return, Form 1040, of Individual 3 for the calendar year 2011 which was false and fraudulent as to a material matter, in that it represented that Individual 3 was entitled under the provisions of the Internal Revenue laws to claim Schedule A deductions in the total sum of \$17,360, and that Individual 3 was entitled under the provisions of the Internal Revenue laws to claim Schedule E deductions in the total sum of \$25,000, when in fact, as the defendant then and there knew, the total deductions Individual 3 was entitled to claim for the calendar year under Schedule A were in the total sum of \$11,600, and the total deductions Individual 3 was entitled to claim for the calendar year under Schedule E were in the total sum of \$17,626.

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

COUNT FOUR
(TAX YEAR 2012)

1. The allegations set forth in paragraphs 1 through 4 of Count One are repeated and realleged as though fully set forth herein.

2. On or about April 15, 2013, defendant Daidry Montanez prepared a 2012 United States individual income tax return, Form 1040, for Individual 4. That return indicated that, for calendar year 2012, Individual 4 was entitled to Schedule C deductions including rent or lease on other business property, repairs and maintenance, supplies, and other expenses including "loope," "motor machine," "pinon," "oil," "needle box," "bell," and "tranmision machine," totaling \$23,036.

3. During calendar year 2012, as defendant Daidry Montanez well knew, Individual 4 was not entitled to claim income tax deductions in the amount of \$23,036.

4. During calendar year 2012, as defendant Daidry Montanez well knew, Individual 4 was not entitled to a tax refund in the amount of \$12,024.

5. On or about March 4, 2013, in the District of New Jersey and elsewhere, the defendant,

DAIDRY MONTANEZ,

did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of

Individual 4 for the calendar year 2012 which was false and fraudulent as to a material matter, in that it represented that Individual 4 was entitled under the provisions of the Internal Revenue laws to claim Schedule C deductions in the total sum of \$23,036, when in fact, as the defendant then and there knew, the total tax deductions Individual 4 was entitled to claim for the calendar year under Schedule C were in the total sum of \$0; in fact, Individual 4 should have reported a profit of \$1,952 on Schedule C.

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



PAUL J. FISHMAN
UNITED STATES ATTORNEY

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DAIDRY MONTANEZ

INFORMATION FOR

26 U.S.C. § 7206(2)

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