UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	: Criminal No. 14-
	:
	: Hon. , U.S.D.J.
v.	:
	: 18 U.S.C. § 371
RAYMUNDO HERNANDEZ	:

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:

Background

1. At all times relevant to this Information:

a. Persons born in the Commonwealth of Puerto Rico are, upon birth, automatically granted United States Citizenship.

b. United States citizens born in the Commonwealth of Puerto Rico are, upon application, issued Social Security numbers by the Social Security Administration.

c. United States citizens born in the Commonwealth of Puerto Rico who reside in Puerto Rico are not required to file tax returns with the Internal Revenue Service ("IRS") as long as all of their income is derived from sources in Puerto Rico.

The Conspiracy

2. From in or about November 2010 through in or about October 2012, in the District of New Jersey, and elsewhere, defendant

RAYMUNDO HERNANDEZ

did knowingly and intentionally conspire and agree with others to commit an offense against the United States, that is to embezzle, steal, purloin, and knowingly convert to his own use and the use of others, money of the United States, specifically United States Treasury checks in the approximate amount of $2,659,717.82, contrary to Title 18, United States Code, Section 641.

Object of the Conspiracy

3. The object of the conspiracy was for defendant HERNANDEZ and his co-conspirators to obtain and ultimately cash income tax refund checks that were generated through the filing of materially false and fraudulent individual income tax returns with the IRS, and to use the resulting illicit cash proceeds for their personal benefit.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that beginning in or about November 2010, members of the conspiracy obtained personally identifiable information, including the names and social security numbers of certain individuals. Among other

things, members of the conspiracy obtained the social security numbers of Puerto Rican citizens.

5. It was further part of the conspiracy that members of the conspiracy filed with the IRS false and fraudulent U.S. Individual Income Tax Returns, using the identity information of others, including Puerto Rican citizens, and seeking federal tax refunds (collectively, the "Tax Returns") to which the members of the conspiracy were not entitled. The objective in doing so was to generate false and fraudulent income tax refund checks issued by the United States Department of the Treasury and State tax agencies (the "Tax Refund Checks").

6. It was further part of the conspiracy that, while members of the conspiracy used the personally identifiable information of certain individuals, including Puerto Rican citizens, to generate the Tax Refund Checks, they had the Tax Refund Checks issued and sent to different addresses that were in and around the District of New Jersey and elsewhere and were controlled by members of the conspiracy. Members of the conspiracy did this so that the Tax Refund Checks would be directed to addresses where they could retrieve them.

7. It was further part of the conspiracy that, once received, defendant RAYMUNDO HERNANDEZ would sell the Tax Refund Checks to other members of the conspiracy, and those other

members of the conspiracy would cash the Tax Refund Checks in a variety of ways, including at banks and at businesses controlled by members of the conspiracy and others.

8. It was further part of the conspiracy that members of the conspiracy would deposit into a co-conspirator's bank account the proceeds from the cashed Tax Refund Checks, less a percentage representing his profit or share. The co-conspirator then withdrew the proceeds from the cashed Tax Refund Checks and, in some instances, provided other co-conspirators with a portion of those proceeds.

Overt Acts

9. In furtherance of the conspiracy and to effect the unlawful object thereof, defendant RAYMUNDO HERNANDEZ and his co-conspirators committed and caused to be committed the following overt acts in the District of New Jersey and elsewhere:

a. In or about 2011, G.R., a co-conspirator mail carrier, agreed to let L.P., another co-conspirator, use addresses on G.R.'s Flushing, New York Mail Route to receive Tax Refund Checks. G.R. agreed to intercept those Tax Refund Checks from the Flushing, New York Mail Route and deliver them to L.P., in exchange for a cash payment of approximately $400 per check.

b. From in or about September 2011 through in or around May 2012, G.R. and another co-conspirator mail carrier, L.O., intercepted at least 44 Tax Refund Checks.

c. From in or about September 2011 through in or around May 2012, L.P. passed the Tax Refund Checks on to co-conspirators, including RAYMUNDO HERNANDEZ, in exchange for payment.

d. From in or about November 2010 through in or about October 2012, RAYMUNDO HERNANDEZ recruited and maintained a network of co-conspirators in and around Newark, New Jersey and Bronx, New York, and distributed Tax Refund Checks, including but not limited to those obtained by L.P., to that network of co-conspirators in exchange for payment.

e. From in or about November 2010 through in or about October 2012, the Tax Refund Checks were then deposited by RAYMUNDO HERNANDEZ and co-conspirators into bank accounts (the accounts were primarily in the names of businesses) that RAYMUNDO HERNANDEZ and/or co-conspirators controlled.

f. From in or about November 2011 through in or about October 2012, RAYMUNDO HERNANDEZ deposited Tax Refund Checks totaling $171,589.11 in three bank accounts under his direct control.

g. From in or about November 2010 through in or about October 2012, the co-conspirators then shuttled certain of

the proceeds generated by the Tax Refund Checks between their bank accounts by writing checks to each others' businesses and depositing those checks.

h. From in or about November 2010 through in or about October 2012, RAYMUNDO HERNANDEZ and co-conspirators then withdrew large amounts of the proceeds in cash and used other portions of the proceeds to purchase cars and gamble at Atlantic City casinos.

i. On or about January 1, 2012, a co-conspirator deposited a Tax Refund Check for $6,205.00 in a bank account in Bronx, New York that was under RAYMUNDO HERNANDEZ's direct control. The tax return associated with this Tax Refund Check was filed using the identity of an individual with the initials "M.D.O." who purportedly resided along G.R. and L.O.'s mail route in Flushing, New York.

j. On or about March 7, 2012, a co-conspirator deposited a Tax Refund Check for $7,845.00 in a bank account in Newark, New Jersey. The tax return associated with this Tax Refund Check was filed using the identity of an individual with the initials "D.A.C." who purportedly resided along G.R. and L.O's mail route in Flushing, New York.

k. On or about February 13, 2012, a co-conspirator deposited a Tax Refund Check for $7,419.76 in a bank account in Newark, New Jersey. The tax return associated with this Tax

Refund Check was filed using the identity of an individual with the initials "J.L.B." who purportedly resided in Bayonne, New Jersey.

In violation of Title 18, United States Code, Section 371.

PAUL J. FISHMAN
UNITED STATES ATTORNEY

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INFORMATION FOR

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