

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

ORIGINAL FILED

NOV 17 2011

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**  
 : **PATTY SHWARTZ**  
 : **U.S. MAG. JUDGE**  
 v. :  
 :  
 :  
 :  
 GILBERTO A. TEIXEIRA, SR. and :  
 GILBERTO A. TEIXEIRA, JR. : Magistrate No. 11-3204(PS)

I, the undersigned complainant being duly sworn, state the following is true and correct to the best of my knowledge and belief.

SEE ATTACHMENT A

I further state that I am a Special Agent with the Internal Revenue Service, Criminal Investigation, and that this Complaint is based on the following facts:

SEE ATTACHMENT B

Michael C. McGarry  
Michael C. McGarry  
Special Agent  
Internal Revenue Service

Sworn to before me and subscribed in my presence,  
on this 17<sup>th</sup> day of November, 2011,  
in Essex County, New Jersey

Patty Schwartz

HONORABLE PATTY SHWARTZ  
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

**ATTACHMENT A**

**CONSPIRACY TO LAUNDER MONEY**  
**(18 U.S.C. § 1956(a)(3) and (h))**

On or about April 27, 2011 through on or about October 6, 2011, in Essex County, in the District of New Jersey and elsewhere, defendants

GILBERTO A. TEIXEIRA, SR. and  
GILBERTO A. TEIXEIRA, JR.

with the intent (a) to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, and (b) to avoid a transaction reporting requirement under State and Federal law, did conspire and agree with one another and others to conduct a financial transaction, specifically the transfer, delivery, and other disposition of United States currency in the amount of \$107,000 represented by a law enforcement officer and by another person at the direction of and with the approval of a Federal official authorized to investigate and prosecute violations of Title 18, United States Code, Section 1956, to be the proceeds of specified unlawful activity, that is, the distribution of narcotics, in violation of Title 18, United States Code, Section 1956(a)(3).

In violation of Title 18, United States Code, Section 1956(h).

## ATTACHMENT B

I, Michael C. McGarry, a Special Agent of the Internal Revenue Service, Criminal Investigation (hereinafter "IRS"), having conducted an investigation and having spoken with other individuals and reviewed reports and documents, have knowledge of the facts provided below. Because this Affidavit is submitted for the sole purpose of establishing probable cause to support the issuance of a complaint, I have not included each and every fact known by the government concerning this investigation. Statements attributed to individuals are provided in substance and in part. In the descriptions, comments enclosed in parentheses are based upon my knowledge, training and experience, that of other law enforcement agents with whom I have spoken and the results of the investigation to date.

1. On or about April 27, 2011, an IRS undercover special agent ("UC-1") met with Gilberto A. Teixeira, Sr. at Gilberto A. Teixeira, Jr.'s auto dealership, namely GT Motor Sport LLC, located on Tichenor Street, Newark, New Jersey. During this meeting, UC-1 held himself out to be a cocaine trafficker, who was looking to purchase an automobile with narcotics proceeds. Teixeira, Sr. and UC-1 negotiated UC-1's purchase of a 2007 BMW M5 for \$50,000 in U.S. currency.

2. During the negotiations, UC-1 explained to Teixeira, Sr. that he was concerned about the paperwork that would be filed in connection with his purchase of the automobile. (UC-1, while posing as a cocaine trafficker, was explaining that he was concerned about any paperwork filed that could alert law enforcement to his illegal activities regarding the money he was holding out to be narcotics proceeds). Teixeira, Sr. responded that the automobile contract would falsely reflect that UC-1 made a \$9,000 cash down payment and financed the remaining balance. Teixeira, Sr. explained that the contract would reflect a \$9,000 down payment because a down payment of \$10,000 or more would be "trouble" (would call law enforcement's attention to the narcotics proceeds). Teixeira, Sr. said that he would not file any paperwork (referring to Forms 8300) in connection with the sale of the automobile. Teixeira, Sr. also said that while he would provide title to the automobile to UC-1, that he would provide a false letter to UC-1 that made it appear that GT Motor Sport LLC was the lien holder of the automobile. Teixeira, Sr. explained to UC-1 that the reason for the letter was so that if law enforcement seized the automobile, Teixeira, Sr. would be able to claim the automobile as the lien holder, and the automobile would not be subject to forfeiture proceedings for its use in connection with narcotics activities.

3. Teixeira, Sr. also asked whether UC-1 was going to put the automobile title and contract in someone else's name. UC-1 told Teixeira, Sr. that UC-1 wanted the automobile in his girlfriend's name. Teixeira, Sr. responded that he did not have a problem with putting the automobile in the girlfriend's name. After the meeting, UC-1 left GT Motor Sport LLC in order to get the \$50,000 in U.S. currency.

4. Several hours later, that same day, UC-1 returned to GT Motor Sport LLC with \$50,000 in U.S. currency. Teixeira, Sr. was not present, thus UC-1 dealt with Teixeira, Jr. in order to complete the transaction.

5. During this meeting, Teixeira, Jr. asked UC-1 whose name he should put on the automobile contract as the purchaser of the 2007 BMW M5. UC-1 responded that his girlfriend should be listed as the purchaser and that she was waiting in an automobile outside GT Motor Sport LLC. A second IRS undercover special agent ("UC-2") was in the automobile posing as the girlfriend of UC-1. In response, Teixeira, Jr. stated that he needed her driver's license and automobile insurance policy number in order to complete the transaction. UC-2 provided a driver's license and insurance policy number.

6. Teixeira, Jr. completed the automobile contract in the presence of UC-1. During the transaction, UC-2 remained in the automobile. When he completed the contract, Teixeira, Jr. brought it to the automobile for UC-2 to sign.

7. Teixeira, Jr. falsified the automobile contract by providing that UC-2 paid \$37,000 for the 2007 BMW M5, when UC-1 actually paid \$50,000 in U.S. currency for that automobile. The contract also falsely provided that UC-2 made a \$9,000 down payment and owed GT Motor Sport LLC, the lien holder, 26 payments of \$1,000 that were to be paid monthly. (Teixeira, Sr. stated earlier that UC-1 would receive title to the automobile, and no lien would be filed on the 2007 BMW M5.) Teixeira, Jr. said that he would mail the title to UC-2 at an undercover address provided by UC-1. The contract included a name, address, driver's license number, date of birth and social security number that UC-2 provided to Teixeira, Jr.

8. Teixeira, Jr. counted the \$50,000 in U.S. currency in the presence of UC-1. UC-1 told Teixeira, Jr. that he sells cocaine and had an understanding with Teixeira, Sr. that no forms would be filed in connection with his purchase of the automobile. Teixeira, Jr. said that he would not file any paperwork concerning the sale of the 2007 BMW M5.

9. Further, on or about October 6, 2011, UC-1 and Teixeira, Jr. negotiated the sale of an additional automobile for approximately \$57,000 with money that UC-1 held out to be narcotics proceeds. During this meeting, Teixeira, Jr. gave UC-1 title to the 2007 BMW M5.

10. Pursuant to 26 U.S.C. § 6050I and 31 U.S.C. § 5331, trades and businesses that receive, in the course of such trade or business, more than \$10,000 in coins or currency in one or more related transactions are required to file a form known as a Form 8300. A check of IRS records on or about November 16, 2011 demonstrates that Teixeira, Sr., Teixeira, Jr., GT II Auto Sales Corp. (formerly Teixeira, Sr.'s auto dealership) and GT Motor Sport LLC have never filed a Form 8300 for cash transactions over \$10,000.