

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA) No.
)
) v.
) Violations: Title 26, United States
ABRAHAM KISWANI,) Code, Sections 7201 and 7206(1)
)
also known as "Ibriham Kiswani")

COUNT ONE

The SPECIAL AUGUST 2017 GRAND JURY charges:

1. At times material to this indictment:

a. The Internal Revenue Service was part of the United States Department of the Treasury and, among other things, was responsible for administering the tax laws of the United States and collecting taxes from individuals and entities;

b. Defendant ABRAHAM KISWANI, aka "Ibriham Kiswani," resided in the Northern District of Illinois;

c. World Security Bureau (WSB) was a corporation incorporated in the State of Delaware on April 17, 2007. WSB was authorized to conduct business in Illinois, including under the assumed corporate name of World Security Agency (WSA), and operated as WSA in Chicago in the Northern District of Illinois, providing and managing security services, primarily for public housing sites in the Chicago area;

d. Defendant derived substantial income from WSB during the

years 2010 through 2013;

e. WSB used an outside payroll company to issue paychecks representing wages paid to employees including, at times, defendant. The payroll company generated records and reports of wages, such as Form W-2 wage statements, documenting wages paid to each individual, and provided a copy of such documentation to the government;

f. Each year, on or before approximately March 15, WSB was obligated to file a U.S. Corporate Income Tax Return (Form 1120 with schedules and attachments) with the Internal Revenue Service, setting forth the gross revenues and any deductions and credits to which it was entitled, and to pay the income tax due.

2. During the calendar year 2010, defendant received taxable income upon which there was income tax due to the United States. By reason of defendant's income in 2010, he was required by law following the close of calendar year 2010 and by extension on or before June 20, 2011, to make a U.S. Individual Income Tax Return (Form 1040 with schedules and attachments) to the Internal Revenue Service, stating specifically the items of income and any deductions and credits to which he was entitled, and to pay the income tax due.

3. From on or about January 1, 2010, and continuing through on or about September 29, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

ABRAHAM KISWANI,
aka "Ibriham Kiswani,"

defendant herein, knowing all the foregoing facts, did willfully attempt to evade and defeat income tax due from defendant to the United States of America for the calendar year 2010, by committing the following affirmative acts of evasion, among others:

a. Defendant concealed and attempted to conceal his interest in WSB in corporate filings and elsewhere;

b. Defendant sought and obtained income from WSB in the form of business checks rather than payroll checks generated by the outside payroll company which, unlike the payroll checks, were not reported as wages by the payroll company to the government, thereby creating a false report to the government of his wages;

c. Defendant arranged for WSB to pay for property, personal items and expenses of defendant, including those held or purchased in the name of family members and/or disguised as business expenses, including but not limited to the mortgage, homeowners association dues, property taxes and sewer and water fees on a personal residence, slip fees and insurance for a boat, slip fees for jet skis and gold coins, by direct payment by WSB, by use of credit cards paid by WSB, and/or by funneling WSB payment through the bank account of another entity;

d. Defendant made false entries in WSB's business records, including entering payment for personal items as a business "training" expense, and entering income paid to defendant as subcontracted services;

e. Defendant provided false information to a tax preparer, including concealing income paid to defendant in the form of business checks, for the purpose

of filing a U.S. Corporate Income Tax Return for WSB for the calendar year 2010;

f. On or about June 20, 2011, defendant willfully filed a false U.S. Individual Income Tax Return (Form 1040) in which he falsely reported the amount of income he received during calendar year 2010 and the taxes due for that calendar year;

g. On or about September 29, 2015, defendant willfully filed a false U.S. Corporate Income Tax Return (Form 1120) on behalf of WSB, which falsely stated the cost of goods sold and total deductions that WSB paid to defendant during the calendar year 2010;

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

COUNT TWO

The SPECIAL AUGUST 2017 GRAND JURY further charges:

1. The allegations of paragraphs 1(a) through 1(f) of Count One of this indictment are incorporated here as paragraphs 1(a) through 1(f) of Count Two.
2. On or about September 29, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

ABRAHAM KISWANI,
aka "Ibriham Kiswani,"

defendant herein, willfully made and subscribed, and caused to be made and subscribed, a U.S. Corporate Income Tax Return for WSB (Form 1120 with schedules and attachments), for the calendar year 2010, which return was verified by a written declaration that it was made under penalties of perjury and was filed with the Internal Revenue Service, which return he did not believe to be true and correct as to every material matter, in that said return reported on Line 2 that the total cost of goods sold during the calendar year 2010 was \$2,776,157 when defendant knew that the cost of goods sold in 2010 was substantially less than that amount;

In violation of Title 26, United States Code, Section 7206(1).

COUNT THREE

The SPECIAL AUGUST 2017 GRAND JURY further charges:

1. The allegations of paragraphs 1(a) through 1(f) of Count One of this indictment are incorporated here as paragraphs 1(a) through 1(f) of Count Three.

2. During the calendar year 2012, defendant received taxable income upon which there was income tax due to the United States. By reason of defendant's income in 2012, he was required by law following the close of calendar year 2012 and, on or before April 17, 2013, to make a U.S. Individual Income Tax Return (Form 1040 with schedules and attachments) to the Internal Revenue Service, stating specifically the items of income and any deductions and credits to which he was entitled, and to pay the income tax due.

3. From on or about January 1, 2012, and continuing through on or about April 22, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

ABRAHAM KISWANI,
aka "Ibriham Kiswani,"

defendant herein, knowing all the foregoing facts, and failing to make a U.S. Individual Income Tax Return on or before April 17, 2013, did willfully attempt to evade and defeat the income tax due from defendant to the United States of America for the calendar year 2012, by committing the following affirmative acts of evasion, among others:

a. Defendant concealed and attempted to conceal his interest in WSB in corporate filings and elsewhere;

b. Around January 2012, defendant directed a WSB employee handling payroll to remove defendant from the payroll, so that the payroll company no longer generated records and reports to the government disclosing wages paid to defendant, and defendant sought other means of obtaining income from WSB that did not generate reports of his income to the government;

c. Defendant caused WSB to issue him business checks rather than payroll checks generated by the outside payroll company to conceal the income he received from WSB;

d. Defendant utilized WSB corporate funds through direct payments by WSB, use of credit cards paid by WSB, and/or by funneling WSB payment through the bank account of another entity, to pay for personal items and expenses of defendant, including those held or purchased in the name of family members, including but not limited to homeowners association dues, property taxes, and sewer and water fees on a personal residence, slip fees and insurance for a boat, slip fees for jet skis and payments on a loan for a motorhome;

e. Defendant made false entries to WSB's business records, including falsely deleting on or about April 22, 2015 entries of income paid to defendant in 2012, and entering income paid to defendant as "subcontracted services" under the name "Abdul," defendant's brother, even though the checks that defendant entered under that name were made payable to defendant;

f. Defendant provided false information to a tax preparer in 2015 for the purpose of filing a false U.S. Corporate Tax Return and a false U.S. Individual

Tax Return for the calendar year 2012, including concealing income paid to defendant in the form of business checks, and providing books and records of WSB in the form of QuickBooks from which, on or about April 22, 2015, defendant had deleted 2012 entries of compensation paid to defendant;

g. On or about March 15, 2013, defendant failed to file a U.S. Corporate Income Tax Return for WSB for the calendar year 2012, in order to conceal and avoid reporting to the Internal Revenue Service the income paid to defendant by WSB;

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

COUNT FOUR

The SPECIAL AUGUST 2017 GRAND JURY charges:

1. The allegations of paragraphs 1(a) through 1(f) of Count One of this indictment are incorporated here as paragraphs 1(a) through 1(f) of Count Four.

2. During the calendar year 2013, defendant received taxable income upon which there was income tax due to the United States. By reason of defendant's gross income in 2013, he was required by law following the close of calendar year 2013 and, on or before April 18, 2014, to make a U.S. Individual Income Tax Return (Form 1040 with schedules and attachments) to the Internal Revenue Service, stating specifically the items of income and any deductions and credits to which he was entitled, and to pay the income tax due.

3. On or about January 1, 2013, and continuing through on or about April 18, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

ABRAHAM KISWANI
aka "Ibriham Kiswani,"

defendant herein, knowing all the foregoing facts, and failing to make a U.S. Individual Income Tax Return on or before April 18, 2014, did willfully attempt to evade and defeat the income tax due from defendant to the United States of America for the calendar year 2013, by committing the following affirmative acts of evasion, among others:

a. Defendant caused WSB to issue him business checks rather than payroll checks generated by the outside payroll company, so that the payroll company

no longer generated records and reports to the government documenting income to defendant;

b. Defendant utilized WSB corporate funds through direct payments by WSB and use of credit cards paid by WSB, to pay for personal items and expenses of defendant, including those held or purchased in the name of family members, including but not limited to wedding expenses, insurance for an engagement ring, a personal residence, homeowners association dues, property taxes and sewer and water fees for a personal residence, slip fees and insurance for a boat, and slip fees for jet skis;

c. Defendant made false entries to WSB's business records, including entering certain of defendant's wedding expenses as business expenses of WSB and entering income paid to defendant as "interest expenses";

d. Defendant provided false information to a tax preparer, including concealing income paid to defendant in the form of business checks, for the purpose of preparing a false U.S. Individual Income Tax Return and a false U.S. Corporate Income Tax Return for the calendar year 2013;

e. On or about March 15, 2014, defendant failed to file a U.S. Corporate Income Tax Return for WSB for the calendar year 2013, in order to conceal and avoid reporting to the Internal Revenue Service the income paid to defendant by WSB;

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

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY