

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No.
	:	
KHURAM RAJA	:	26 U.S.C. § 7201

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:

(Income Tax Evasion)

1. At all times relevant to this Information:
 - a. Defendant KHURAM RAJA resided in Manalapan, New Jersey and owned and operated a company that provided construction and building services (the “Company”). From in or around 2016 through 2018, Raja earned income through the Company.
 - b. The Internal Revenue Service (“IRS”) was an agency of the United States Department of the Treasury, responsible for administering and enforcing the tax laws of the United States and collecting the taxes that were due and owing to the Treasury of the United States by its citizens and businesses.
 - c. A U.S. Income Tax Return for an S Corporation (“Form 1120-S”) was the form filed by the taxpayer with the IRS and used to report the income, gains, losses, deductions, and credits of a domestic corporation covered by an election to be an “S Corporation” under Subchapter S of Chapter 1 of the Internal Revenue Code.

d. Defendant RAJA operated the Company as an “S Corporation” and was accordingly required to report income from the Company on his U.S. Individual Income Tax Return (“Form 1040”). Form 1040 was the form filed by a taxpayer and used by the IRS to assess liability for personal income tax.

2. Defendant RAJA oversaw all aspects of the Company’s business, including managing the company’s gross receipts and expenses. RAJA signed and caused to be filed with the IRS Forms 1120-S for tax years 2016 through 2017 for the Company. For each of these years, the return declared certain taxable income but did not report additional taxable income that the Company received in cash and checks cashed at various check-cashing facilities. In addition, each return deducted from the Company’s income its supposed business expenses, which included certain of RAJA’s personal expenses that were not, in fact, expenses of the Company. RAJA failed to file with the IRS Form 1120-S for the 2018 tax year by the applicable deadline.

3. As a result, RAJA caused the Company’s income for calendar years 2016 and 2017 to be underreported on the Company’s Forms 1120-S, and no income was reported for the Company’s 2018 tax year. Defendant RAJA did not file personal income tax returns for the taxable years 2016, 2017, and 2018 by the tax deadlines, and failed to report the income that would have flowed through to his personal income tax returns from the Forms 1120-S.

4. For example, for calendar year 2017, RAJA reported to the IRS that the Company’s gross receipts were approximately \$3,801,162, when in fact this calculation omitted approximately \$355,570.51 in checks that he cashed at a check-

cashing facility. For calendar year 2017, RAJA reported to the IRS that the Company incurred approximately \$3,770,678 in business expenses, when in fact this calculation included approximately \$465,266.30 in personal expenses.

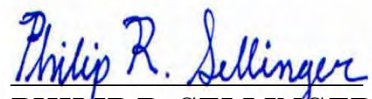
5. As a result, RAJA evaded approximately \$285,022 in personal income tax due for calendar year 2017. RAJA likewise evaded approximately \$134,688 in personal income tax due for calendar year 2016, and approximately \$124,105 in personal income tax due for calendar year 2018.

6. On or about April 15, 2018, in the District of New Jersey and elsewhere, defendant

KHURAM RAJA

did willfully attempt to evade and defeat personal income tax due and owing by him to the United States of America for tax year 2017 by failing to make personal income tax returns to the IRS on or before the deadline and by committing the following affirmative acts, among others: (1) cashing business receipt checks at check-cashing locations; (2) declaring certain personal expenses as business expenses; (3) providing incomplete business records to the Company's accountant for the purpose of preparing the Forms 1120-S; and (4) knowingly signing and filing false and fraudulent Forms 1120-S.

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


PHILIP R. SELLINGER
United States Attorney

CASE NUMBER: 23 - _____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

KHURAM RAJA

INFORMATION FOR

26 U.S.C. § 7201

PHILIP R. SELLINGER
UNITED STATES ATTORNEY
FOR THE DISTRICT OF NEW JERSEY

KATHERINE M. ROMANO
ASSISTANT U.S. ATTORNEY
NEWARK, NEW JERSEY
973-353-6095
