

FILED

SEP 25 2024

JB/2023R00768 and 2024R00570

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEYAT 8:30
CLERK, U.S. DISTRICT COURT - DNJ

UNITED STATES OF AMERICA

Crim. No. 24-613(CPO)

v.

18 U.S.C. § 371

TRI ANH TIEU and
ANDY TRANINDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Camden, charges:

1. At all times relevant to this Indictment:

- a. Defendant TRI ANH TIEU was a resident of Pennsauken, New Jersey, Camden, New Jersey, and Wilkes-Barre, Pennsylvania.
- b. Defendant ANDY TRAN was a resident of Pennsauken, New Jersey, and Camden, New Jersey.
- c. Tri States Staffing, LLC ("Tri States"), was a New Jersey limited liability company with a listed business address in Pennsauken, New Jersey, that was formed on May 15, 2018 for the purpose of providing temporary workers to businesses. Defendant TRI ANH TIEU was the sole member of Tri States. Defendant ANDY TRAN was an employee of Tri States who, at times, served as its representative.
- d. 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, residents, and businesses.
- e. Pursuant to the tax laws of the United States, employers, including Tri States, had a duty to collect, truthfully account for, and pay over to the IRS Federal Insurance

Contribution Act ("FICA") and income taxes (collectively, "payroll taxes"). FICA required the payment of taxes by employees and employers to fund various federal benefit programs, including Social Security and Medicare. Employers, including Tri States, were required to withhold payroll taxes from their employees' wages; file an Employer's Quarterly Federal Tax Return, IRS Form 941 ("Form 941") disclosing all wages paid, taxes withheld, and payroll taxes due and owing; and pay over to the IRS the payroll taxes withheld from the employees' wages by the due date indicated on the Form 941.

f. Pursuant to the tax laws of the United States, individuals who earn over a certain amount of gross income are required to file a U.S. Individual Income Tax Return ("Form 1040") that reports income, deductions, and credits. The Form 1040 is used by the IRS to assess liability for individual income tax and eligibility for refunds.

The Conspiracy

2. From on or about May 15, 2018 and continuing through on or about July 31, 2022, in Gloucester, Burlington, and Camden Counties, in the District of New Jersey and elsewhere, the defendants,

TRI ANH TIEU
and
ANDY TRAN,

did knowingly and intentionally conspire and agree with each other to defraud the United States by impeding, impairing, obstructing, and defeating the lawful Government functions of the Internal Revenue Service of the Department of the Treasury in the ascertainment, computation, assessment, and collection of the revenue, namely, payroll taxes due and owing from Tri States's employees and the individual income taxes due and owing from defendants TRI ANH TIEU and ANDY TRAN.

Object of the Conspiracy

3. It was the object of the conspiracy to defraud the United States and the Internal Revenue Service by concealing the cash wages paid to employees of Tri States and to prevent the Internal Revenue Service from properly assessing and collecting payroll taxes due and owing from Tri States's employees and the individual income taxes due and owing from defendants TRI ANH TIEU and ANDY TRAN.

Manner and Means of the Conspiracy

4. It was a part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN represented to businesses located in Gloucester County, New Jersey, Burlington County, New Jersey, and elsewhere ("Customer Businesses") that Tri States was a "Staffing Temporary Employment Helper" that could provide pools of temporary workers to businesses for a negotiable rate and that Tri States would be responsible for, among other things, paying the temporary workers' taxes.

5. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN agreed on behalf of Tri States for Tri States to provide its employees as temporary workers to the Customer Businesses. These agreements were either directly between Tri States and the Customer Business or through subcontracting agreements with intermediaries.

6. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN caused Tri States to charge the Customer Businesses, either directly or through intermediaries, a premium above each worker's hourly wage in exchange for Tri States's responsibilities as the employer of those workers, including, as most relevant here, collecting, truthfully accounting for, and paying over to the IRS the workers' payroll taxes.

7. It was a further part of the conspiracy that, between the third quarter of 2018 and the second quarter of 2022, defendants TRI ANH TIEU and ANDY TRAN received payments

exceeding \$2,500,000 from Tri States's Customer Businesses, either directly or through intermediaries, for providing labor.

8. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN negotiated some of Tri States's revenue checks at a commercial check casher.

9. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN obtained additional cash by writing checks payable to themselves from Tri States's business bank accounts.

10. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN used a portion of the resulting cash to pay Tri States's employees their wages in cash.

11. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN paid Tri States's employees' wages without first deducting payroll taxes from the gross wages.

12. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN violated the terms of Tri States's agreements with the Customer Businesses, either directly or through intermediaries, by failing to file Forms 941 that truthfully accounted payroll taxes and by failing to pay over to the IRS payroll taxes for Tri States's employees who worked at the Customer Businesses.

13. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN concealed information regarding Tri States from their return preparers.

14. It was a further part of the conspiracy that defendants TRI ANH TIEU and ANDY TRAN filed false Forms 1040 that omitted their connection to Tri States and the income each received from Tri States.

15. It was a further part of the conspiracy that defendant TRI ANH TIEU spent at least some of the unpaid payroll taxes on personal expenditures, including gambling.

Overt Acts

16. In furtherance of this conspiracy and to effect its objects, the following overt acts were committed in the District of New Jersey and elsewhere:

- a. On or about January 3, 2020, defendant TRI ANH TIEU executed a “Subcontracting Agreement” on behalf of Tri States with an intermediary in which Tri States agreed to provide workers to a Customer Business and to be “solely responsible for all federal, state and local employment and other taxes.”
- b. On or about March 21, 2020, defendant ANDY TRAN caused the preparation and presentation to the IRS of a false 2019 Form 1040 that falsely omitted the income that he earned from Tri States.
- c. On or about February 27, 2021, defendant TRI ANH TIEU caused the preparation and presentation to the IRS of a false 2020 Form 1040 that falsely omitted his ownership of Tri States and the income that he earned from Tri States.
- d. On or about March 16, 2021, defendant ANDY TRAN caused the preparation and presentation to the IRS of a false 2020 Form 1040 that falsely omitted the income that he earned from Tri States.
- e. On or about May 5, 2021, defendants TRI ANH TIEU and ANDY TRAN executed an agreement on behalf of Tri States with Customer Business 1, which operated a manufacturing plant in Gloucester County, New Jersey. The agreement provided that Tri States would provide temporary workers and was required to “make the required deductions for all payroll and similar state and federal taxes” for the temporary workers.

- f. On or about May 17, 2021, defendant TRI ANH TIEU cashed a \$7,000 check written off the business bank account for Tri States and made payable to himself with a memo line "pay workers #3."
- g. On or about June 4, 2021, defendant TRI ANH TIEU cashed a \$8,975 check written off the business bank account for Tri States and made payable to himself with a memo line "pay workers #5 & 6."
- h. On or about July 7, 2021, defendant ANDY TRAN signed a document falsely confirming that Tri States had paid the workers at Customer Business 1 via check and all applicable state and federal taxes were being deducted since the start of the agreement dated May 5, 2021.
- i. On or about July 9, 2021, defendant TRI ANH TIEU cashed a \$7,586 check written off the business bank account for Tri States and made payable to himself with a memo line "pay workers #10."
- j. On or about July 12, 2021, defendant TRI ANH TIEU executed a "Secondary Vendor Services Agreement" and "Addendum" on behalf of Tri States with an intermediary in which Tri States agreed to provide workers to a Customer Business and to be responsible to "withhold taxes" and "remit such taxes" for the temporary workers.

k. On or about September 15, 2021, defendant TRI ANH TIEU cashed a \$8,500 check written off the business bank account for Tri States and made payable to himself, and brought cash totaling approximately \$10,600 to a local casino.

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

A TRUE BILL

FOREPERSON

Philip R. Sellinger
PHILIP R. SELLINGER
United States Attorney

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

UNITED STATES OF AMERICA

v.

**TRI ANH TIEU
and
ANDY TRAN**

INDICTMENT FOR

18 U.S.C. § 371

A True Bill.



Foreperson

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

**JEFFREY BENDER
ASSISTANT U.S. ATTORNEY
CAMDEN, NEW JERSEY
856-757-5026**

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