

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Crim. No. 19-
 :
 v. : 7 U.S.C. § 2024(b)
 : 18 U.S.C. § 1957(a)
 JUAN PERDOMO : 18 U.S.C. § 2
 : 26 U.S.C. § 7206(2)

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Snap Benefit Fraud)

1. At various times relevant to this Information:
 - a. M&R Supermarket (“M&R”) was a grocery store located in Newark, New Jersey;
 - b. Defendant Juan Perdomo managed the every day operation of M&R while his wife was the listed owner of M&R;
 - c. The Supplemental Nutrition Assistance Program (“SNAP”) was a program funded by the United States government, which provided nutrition assistance to eligible, low-income individuals and families. SNAP was funded by the United States Department of Agriculture.
 - d. Pursuant to the Food Stamp Act of 1977, as amended, 7 U.S.C. §§ 2011-32, and its accompanying regulations, 7 C.F.R. §§ 271-85, eligible low income persons (“SNAP Recipients”) could obtain SNAP benefits loaded onto Electronic Benefits Transfer (“EBT”) cards. SNAP benefits could only

lawfully be used to purchase specific food items, and not to purchase prepared foods, alcoholic beverages, pet food, or other non-food items. SNAP benefits could not lawfully be exchanged for cash.

e. Food retailers, such as M&R, applied for authorization to participate in the SNAP. Once approved to participate in the SNAP as an Authorized Retailer, the Authorized Retailer could redeem purchases of eligible food products by SNAP Recipients. SNAP Recipients completed purchases by swiping an EBT card at an Authorized Retailer's point of sale terminal and entering a PIN. Payments were then transferred from the United States government into a bank account designated by the Authorized Retailer.

2. Since in or around October 2015, M&R was an Authorized Retailer approved to accept SNAP benefits, also commonly referred to as "food stamp" benefits.

3. Beginning at least as early as October 2015 and continuing through in or around September 2018, defendant Juan Perdomo unlawfully redeemed SNAP benefits in exchange for cash.

4. Specifically, defendant Juan Perdomo entered fictitious dollar amounts for allegedly eligible SNAP EBT transactions, provided SNAP Recipients a percentage of the transaction's value in cash, and kept the remainder. For example, a SNAP Recipient purchased eligible food items worth approximately \$5.00, but defendant Juan Perdomo debited, for example, approximately \$75.00 from the SNAP Recipient's EBT account, which was then credited to M&R's bank account. Defendant Juan Perdomo then gave the SNAP Recipient a portion of

the overage in cash and kept a portion of the proceeds (not including the cost of store items that were purchased).

5. From in or around October 2015 through in or around September 2018, in Essex County, in the District of New Jersey, and elsewhere, the defendant,

JUAN PERDOMO

did knowingly use, transfer, acquire and possess Supplemental Nutrition Assistance Program (“SNAP”) benefits having a value of \$5,000 and more in a manner contrary to the provisions of Title 7, United States Code, Chapter 51 and the regulations issued pursuant thereto, that is, the defendant knowingly and unlawfully exchanged at least \$3,499,000 of SNAP benefits for cash.

In violation of Title 7, United States Code, Section 2024(b) and Title 18, United States Code, Section 2.

COUNT TWO

(Engaging in a Monetary Transaction in Property Derived
from Specified Unlawful Activity)

6. The allegations set forth in paragraphs 1 through 4 of Count One are realleged as if set forth herein,

7. On or about September 12, 2017, in Essex County, in the District of New Jersey and elsewhere, the defendant,

JUAN PERDOMO

did knowingly engage and attempt to engage in a monetary transaction through a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is the withdrawal, transfer, and exchange of U.S. currency, such property having been derived from a specified unlawful activity, that is, a violation of Title 7, United States Code, Section 2024(b), set forth in Count One.

In violation of Title 18, United States Code, Sections 1957(a) and 2.

COUNT THREE

(Aiding and Assisting in the Preparation of a Materially
False Tax Return)

8. The allegations set forth in paragraphs 1 through 4 of Count One are realleged as if set forth herein,

9. In an effort to conceal his SNAP fraud scheme, defendant Juan Perdomo knowingly and intentionally provided false and fraudulent information to M&R's tax preparer, which was false in that it understated M&R's gross receipts, and overstated M&R's cost of goods sold, for the 2016 tax year.

10. M&R's tax preparer used the false information defendant Juan Perdomo provided to prepare and file M&R's 2016 Form 1120, U.S. Income Tax Return for an S Corporation ("Form 1120") with the Internal Revenue Service ("IRS") on or about May 8, 2017.

11. The false Form 1120 presented to the IRS reported that M&R had \$1,213,283 in gross receipts and \$1,058,532 in cost of goods sold, and that the taxable income for M&R for calendar year 2016 was approximately \$33,962, when in fact defendant Juan Perdomo then and there knew that each of these figures was false.

12. On or about May 8, 2017, in Essex County, in the District of New Jersey and elsewhere, the defendant,

JUAN PERDOMO

did knowingly and willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of United States Income Tax Returns for an S corporation, Form 1120S, for calendar year

2016 described in paragraphs 9 and 10, which was false and fraudulent as to material matters described in paragraph 11, knowing that the return was false and fraudulent.

In violation of Title 26, United States Code, Section 7206(2).

FORFEITURE ALLEGATION AS TO COUNT ONE

1. As a result of committing the SNAP benefit fraud offense in violation of 7 U.S.C. § 2024, as charged in Count One of this Information, the defendant,

JUAN PERDOMO,

shall forfeit to the United States, pursuant to 7 U.S.C. § 2024(f), all property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation of 7 U.S.C. § 2024(b), and all proceeds traceable to a violation of 7 U.S.C. § 2024(b).

FORFEITURE ALLEGATION AS TO COUNT TWO

2. As a result of committing the money laundering offense charged in Count Two of this Information, the defendant,

JUAN PERDOMO,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), all property, real or personal, involved in such money laundering offense, and all property traceable to such property.

Substitute Assets Provision
(Applicable to All Forfeiture Allegations)

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;

- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.


CRAIG CARPENITO
United States Attorney

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**United States District Court
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UNITED STATES OF AMERICA

v.

JUAN PERDOMO

INFORMATION FOR

Title 7, United States Code, Section 2024(b);
Title 18, United States Code, Sections 1957(a) and 2; and
Title 26, United States Code, Section 7206(2)

CRAIG CARPENITO

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