

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 20-
	:	
v.	:	
	:	
WILSON SALAS-MOLINA	:	26 U.S.C. § 7201
	:	26 U.S.C. § 7202

INFORMATION

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

COUNT 1

(Employment Tax Evasion)

1. At all times relevant to this Information:
 - a. Defendant WILSON SALAS-MOLINA was a resident of Howell, New Jersey.
 - b. US Contractor Inc. (a/k/a Wilson Contractors Inc., a/k/a WC Contractor Inc.) ("US Contractor") was a roofing business located in Monmouth County, New Jersey.
 - c. Defendant SALAS-MOLINA was sole owner and operator of US Contractor, and he was responsible for, among other things, hiring, scheduling, directing employees to roofing job sites, providing tools and vehicles for employees, and paying employee wages.

d. Federal income tax withholding (“Withholding taxes”) and Federal Insurance Contribution Act taxes (“FICA taxes”), as more particularly described below, constituted employment taxes (“Employment Taxes”).

i. Withholding Taxes: In general, an employer had to deduct and withhold income tax on the amount of wages that actually or constructively were paid to its employees and pay over those withholding taxes to the Internal Revenue Services (“IRS”).

ii. FICA Taxes: The FICA tax was comprised of two elements: old age, survivor and disability insurance, which was commonly referred to as “Social Security,” and health insurance, which was commonly referred to as “Medicare.” Social Security taxes were used to fund retirement and disability benefits, while Medicare taxes were used to provide health and medical benefits for the aged and disabled. An employer had to deduct FICA taxes on the amount of wages that actually or constructively were paid to its employees, and pay over those FICA taxes to the IRS. The employee portion of FICA taxes, along with federal withholding taxes, were collectively referred to as “Trust Fund Taxes.”

e. The IRS required that an employer report Employment Taxes on an Employer’s Quarterly Federal Tax Return, Form 941 (“Form 941”). The Form 941 was filed quarterly and was due one month after the conclusion of each quarter. An employer had to pay over Employment Taxes to the IRS, in full, by the due date of the Form 941.

f. Section 7501 of the Internal Revenue Code provided that whenever any person was required to withhold or collect any internal revenue tax from any other person and to pay over such tax to the United States, the amount of tax so withheld or collected was to be held in trust on behalf of the United States.

2. From in or about 2012 to in or about 2018, as the owner and operator of US Contractor, defendant SALAS-MOLINA was required to report to the IRS the Trust Fund Taxes for US Contractor employees by filing Forms 941. Defendant SALAS-MOLINA also was required to pay to the IRS the Trust Fund Taxes for US Contractor employees on a quarterly basis.

3. From in or about 2012 to in or about 2018, as the owner and operator of US Contractor, defendant SALAS-MOLINA was required to pay the IRS the employer portion of the FICA Taxes on a quarterly basis.

4. Defendant SALAS-MOLINA cashed checks he received from roofing clients at a check cashing service, and he used the cash to pay the wages of his approximately fourteen employees. Defendant SALAS-MOLINA paid his employees in cash to conceal his payment of wages to those employees and to conceal his failure to report, account for, and pay over Employment Taxes to the IRS.

5. For the quarters ending in or around March 31, 2012 through in or around March 31, 2017, defendant SALAS-MOLINA failed to withhold payroll taxes from the wages paid to his employees and, in addition, he failed to file Quarterly Employment Tax Returns, Forms 941.

6. For the quarters ending in or around March 31, 2012 through in or around March 31, 2017, defendant SALAS-MOLINA made no employer FICA payments to the IRS.

7. For the quarters ending in or around June 30, 2017 through March 31, 2018, defendant SALAS-MOLINA filed false Quarterly Employment Tax Returns, Forms 941, claiming only two employees and paying only a fraction of Employment Taxes due and owing.

8. Defendant SALAS-MOLINA amassed an employment tax liability of at least \$541,181.40 for the quarters ending March 31, 2012 through March 31, 2018.

9. From on or about March 31, 2012 through on or about March 31, 2018, in the District of New Jersey and elsewhere, the defendant

WILSON SALAS-MOLINA,

did willfully attempt to evade and defeat a substantial part of the employment taxes of approximately \$541,181.40 due and owing by him, as the owner and operator of US Contractor, to the United States, by failing to file or filing false Forms 941 and by engaging in the affirmative acts of tax evasion described in Paragraphs 4 through 7 above.

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

Count 2

(Failure to Collect, Account for and Pay Over Payroll Taxes)

1. Paragraphs 1 through 8 of Count 1 of this Information are realleged and incorporated by reference as if fully set forth herein.
2. On or about April 15, 2016, in the District of New Jersey and elsewhere, the defendant

WILSON SALAS-MOLINA,

being a person required to collect, truthfully account for, and pay over payroll taxes to the Internal Revenue Service, did knowingly and willfully fail to pay over such taxes, for the tax quarter ending on December 31, 2015, in the amount of approximately \$23,913.13.

In violation of Title 26, United States Code, Section 7202.


CRAIG CARPENITO
United States Attorney