

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.

v. : Crim. No.

ANTHONY SALTERS : 18 U.S.C. §§ 981(a)(1)(C), 1343, and 2;
20 U.S.C. § 1097(a); 26 U.S.C. §§ 7203
: and 7206(1); and 28 U.S.C. § 2461(c)

INDICTMENT

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

COUNT 1

(Subscribing to a False Tax Return for 2013)

1. Defendant ANTHONY SALTERS (“defendant SALTERS”) was a resident of Hillside, New Jersey. Defendant SALTERS was a principal of Media Allies LLC (“Media Allies”), a company that purportedly provided public relations services.

2. The Internal Revenue Service (“IRS”), an agency within the United States Department of Treasury, was responsible for administering and enforcing the tax laws of the United States, including the federal income tax laws.

3. On or about February 12, 2014, defendant SALTERS signed a U.S. Individual Income Tax Return, Form 1040, for tax year 2013 on his own behalf (the “2013 Tax Return”), which falsely stated that defendant SALTERS’s business income was zero and his total income was zero. On or about March 31, 2014, defendant SALTERS filed and caused to be filed with the IRS the 2013 Tax Return, which was not true and correct as to every material matter, as defendant SALTERS well knew, in that: (a) defendant SALTERS received tens of thousands of

dollars in gross receipts in tax year 2013, (b) defendant SALTERS did have income in tax year 2013, and (c) Media Allies, about which no information was reported in a Schedule C for tax year 2013, received a substantial amount in gross receipts in that tax year. The 2013 Tax Return contained a written declaration that it was filed under penalties of perjury.

4. On or about March 31, 2014, in the District of New Jersey and elsewhere, defendant

ANTHONY SALTERS

willfully did make and subscribe the 2013 Tax Return, which he did not believe to be true and correct as to every material matter, as set forth in Paragraph 3 above.

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

COUNT 2

(Subscribing to a False Return, Statement, and Other Document for 2014)

1. Paragraphs 1 and 2 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about February 5, 2015, defendant SALTERS signed "Form 1040 U.S. Individual Income Tax Return 2014" for tax year 2014 on his own behalf (the "2014 Form 1040"), which falsely stated that defendant SALTERS's business income was zero and his total income was zero. On or about April 6, 2015, defendant SALTERS filed and caused to be filed with the IRS the 2014 Form 1040, which was not true and correct as to every material matter, as defendant SALTERS well knew, in that: (a) defendant SALTERS received tens of thousands of dollars in gross receipts in tax year 2014, (b) defendant SALTERS did have income in tax year 2014, and (c) Media Allies, about which no information was reported in a Schedule C for tax year 2014, received a substantial amount in gross receipts in that tax year. The 2014 Form 1040 contained a written declaration that it was filed under penalties of perjury.

3. On or about April 6, 2015, in the District of New Jersey and elsewhere, defendant
ANTHONY SALTERS
willfully did make and subscribe the 2014 Form 1040, which he did not believe to be true and correct as to every material matter, as set forth in Paragraph 2 above.

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

COUNT 3

(Subscribing to a False Return, Statement, and Other Document for 2015)

1. Paragraphs 1 and 2 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about February 9, 2016, defendant SALTERS signed "Form 1040 U.S. Individual Income Tax Return 2015" for tax year 2015 on his own behalf (the "2015 Form 1040"), which falsely stated that defendant SALTERS's business income was zero and his total income was zero. On or about April 11, 2016, defendant SALTERS filed and caused to be filed with the IRS the 2015 Form 1040, which was not true and correct as to every material matter, as defendant SALTERS well knew, in that: (a) defendant SALTERS received tens of thousands of dollars in gross receipts in tax year 2015, (b) defendant SALTERS did have income in tax year 2015, and (c) Media Allies, about which no information was reported in a Schedule C for tax year 2015, received a substantial amount in gross receipts in that tax year. The 2015 Form 1040 contained a written declaration that it was filed under penalties of perjury.

3. On or about April 11, 2016, in the District of New Jersey and elsewhere, defendant

ANTHONY SALTERS

willfully did make and subscribe the 2015 Form 1040, which he did not believe to be true and correct as to every material matter, as set forth in Paragraph 2 above.

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

COUNT 4

(Willful Failure to File a Tax Return – 2016)

1. Paragraphs 1 and 2 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.
2. The internal revenue laws of the United States, and the regulations made under authority thereof, require every citizen and resident of the United States who receives gross income in excess of a minimum filing amount to make and file annually an income tax return for that tax year, typically by a due date in April of the following year.
3. During tax year 2016, defendant SALTERS received tens of thousands of dollars in gross income.
4. By reason of that gross income, defendant SALTERS was required by law and regulation, on or before the due date of April 18, 2017, to make and file an income tax return for tax year 2016 to the IRS, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Nonetheless, defendant SALTERS did not file an income tax return for tax year 2016 at the time required by law and regulation.
5. On or about April 18, 2017, in the District of New Jersey and elsewhere, defendant

ANTHONY SALTERS

willfully did fail to make an income tax return to the IRS for tax year 2016.

In violation of Title 26, United States Code, Section 7203.

COUNTS 5 to 8

(Wire Fraud)

1. Paragraphs 1 and 2 of Count 1, Paragraphs 2 of Counts 2 and 3, and Paragraph 3 of Count 4 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. During the time period relevant to Counts 5 to 8 of this Indictment:

A. The United States Department of Education (the “DOE”) oversaw and administered federal funds provided to undergraduate students in attendance at institutions of higher education, under the authority of subchapter IV of Chapter 28 of United States Code, Title 20. This financial aid provided to students included the Federal Pell Grant Program.

B. The Federal Pell Grant Program provided grants (“Pell Grants”) to eligible undergraduate students at participating institutions of higher education who displayed exceptional financial need, determined in part by their families’ income and assets. Pell Grants did not have to be repaid by student recipients.

C. To be eligible to receive a Pell Grant and other types of financial aid, a student applicant was required to complete a Free Application for Federal Student Aid (“FAFSA”), which required disclosure of factors affecting eligibility for financial aid, including, among other things, financial information concerning a student’s parents. FAFSAs were submitted to a DOE processing system (the “DOE Processing System”), which had a server located outside of New Jersey. The DOE Processing System reviewed a student’s FAFSA application information to calculate the estimated family contribution toward the cost of a student’s attendance at an institution of higher learning.

D. The Higher Education Student Assistance Authority (“HESAA”) was

a New Jersey state agency responsible for providing students and families with financial and informational resources for students to pursue their education beyond high school.

E. Defendant SALTERS had a dependent child (“defendant SALTERS’s dependent child” or “his dependent child”) who, from in or about August 2014 to in or about May 2017, was an undergraduate attending a university located in New Jersey, which awarded to its students financial aid provided by the federal government and the State of New Jersey (the “University”). The University, as well as the DOE and HESAA, used information provided in a FAFSA to determine whether a student was eligible to receive financial aid and the amount of such aid.

3. From in or about January 2014 to in or about May 2017, in the District of New Jersey and elsewhere, defendant

ANTHONY SALTERS

knowingly did devise and intend to devise a scheme and artifice to defraud the DOE, HESAA, and the University of money and property by submitting and causing to be submitted to the DOE, HESAA, and the University materially false information underreporting defendant SALTERS’s income, including such information provided in his dependent child’s FAFSAs.

4. The object of this scheme and artifice to defraud was for defendant SALTERS to obtain and retain student financial aid for his dependent child by providing to the DOE, HESAA, and the University materially false information underreporting defendant SALTERS’s income.

5. It was part of this scheme and artifice to defraud that:

A. On or about January 12, 2014, defendant SALTERS transmitted and caused to be transmitted electronically to the DOE Processing System his dependent child’s

2014-2015 FAFSA which falsely reported that defendant SALTERS had zero income.

B. On or about July 24, 2015, defendant SALTERS transmitted and caused to be transmitted electronically to the DOE Processing System his dependent child's 2015-2016 FAFSA which falsely reported that defendant SALTERS had approximately \$50,000 in income.

C. By at least in or about August 2015, defendant SALTERS received notification from the University that his dependent child's application for student financial aid for the academic year 2015-2016 had been selected for review in a process called "Verification," that is, a process to verify information provided in defendant SALTERS's dependent child's FAFSA for 2015-2016. In response to the University's request for such information:

- i. On or about August 6, 2015, defendant SALTERS signed a 2015-2016 Verification form which he submitted and caused to be submitted to the University, falsely stating that he had zero earnings not included on his tax return for tax year 2014 and he had no other untaxed income in tax year 2014 (the "2015-2016 Verification form"); and
- ii. Defendant SALTERS submitted and caused to be submitted to the University an IRS Tax Return Transcript, which stated that he had reported zero total income for tax year 2014 (the "IRS Tax Return Transcript for 2014").

D. On or about August 31, 2015, defendant SALTERS caused the University, relying on the false and fraudulent information provided by him in the 2015-2016 Verification form and the IRS Tax Return Transcript for 2014, to transmit information electronically to the DOE Processing System, amending his dependent child's 2015-2016 FAFSA to report that defendant SALTERS had zero income instead of approximately \$50,000 in income.

E. On or about January 27, 2016, defendant SALTERS transmitted and caused to be transmitted electronically to the DOE Processing System his dependent child's 2016-2017 FAFSA, which falsely reported that defendant SALTERS had zero income.

F. On or about March 7, 2016, defendant SALTERS received an email from

HESAA, stating that HESAA had received his dependent child's 2016-2017 FAFSA and that his dependent child could be eligible for financial aid through the State of New Jersey, depending on the responses to the New Jersey State grant questions. On or about the same date, defendant SALTERS sent an email to his dependent child, using a server located outside of New Jersey, forwarding the email from HESAA and instructing his dependent child, "Get on this. Put all \$0."

G. To obtain information required by HESAA in connection with SALTERS's dependent child's application for financial aid, on or about February 8, 2017, defendant SALTERS caused the IRS to fax to him via interstate wire an IRS Tax Return Transcript, which stated that he had reported zero total income for tax year 2015 (the "IRS Tax Return Transcript for 2015"). On or about the same date, defendant SALTERS faxed and caused to be faxed the IRS Tax Return Transcript for 2015 to HESAA.

H. From in or about January 2014 to in or about May 2017, defendant SALTERS caused Pell Grants totaling approximately \$17,320 and New Jersey State grants totaling approximately \$8,744 to be provided for his dependent child's education at the University, based, in part, on materially false information underreporting defendant SALTERS's income that defendant SALTERS submitted and caused to be submitted to the DOE, HESAA, and the University, including such information provided in his dependent child's FAFSAs.

6. On or about the dates set forth below, in the District of New Jersey and elsewhere, for the purposes of executing and attempting to execute this scheme and artifice to defraud, defendant

ANTHONY SALTERS

knowingly and intentionally did transmit and cause to be transmitted by means of wire, radio, and television communications in interstate commerce, certain writings, signs, signals, pictures and

sounds, as described below:

COUNT	DATE	WIRE COMMUNICATION
5	August 31, 2015	Defendant SALTERS caused the University, using the DOE Processing System with a server located outside of New Jersey, to transmit information electronically, amending his dependent child's 2015-2016 FAFSA to report that defendant SALTERS had zero income instead of approximately \$50,000 in income.
6	January 27, 2016	Defendant SALTERS, using the DOE Processing System with a server located outside of New Jersey, transmitted and caused to be transmitted electronically his dependent child's 2016-2017 FAFSA which falsely reported that defendant SALTERS had zero income.
7	March 7, 2016	Defendant SALTERS, using a server located outside of New Jersey, sent an email to his dependent child, forwarding an email from HESAA about possible eligibility for financial aid through the State of New Jersey, and instructing his dependent child, "Get on this. Put all \$0."
8	February 8, 2017	Defendant SALTERS caused the IRS to fax to him via interstate wire the IRS Tax Return Transcript for 2015, which stated that he had reported zero total income for tax year 2015.

In violation of Title 18, United States Code, Section 1343 and Section 2.

COUNTS 9 to 11

(Student Financial Aid Fraud)

1. Paragraphs 1, 2, and 5 of Counts 5 to 8 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about the dates set forth below, in the District of New Jersey and elsewhere, defendant

ANTHONY SALTERS

knowingly and willfully did steal and obtain by fraud and false statement and attempt to so steal and obtain by fraud and false statement the approximate amounts well exceeding \$200 of student assistance funds provided and insured under subchapter IV of Chapter 28 of United States Code, Title 20 (Pell Grants), as set forth below:

COUNT	DATES	APPROXIMATE AMOUNT OF PELL GRANT
9	From on or about January 12, 2014 to on or about February 3, 2015	\$5,730
10	From on or about July 24, 2015 to on or about February 4, 2016	\$5,775
11	From on or about January 27, 2016 to on or about February 15, 2017	\$5,815

In violation of Title 20, United States Code, Section 1097(a) and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS AS TO COUNTS 5 to 8

1. The allegations contained in all paragraphs of Counts 5 to 8 of this Indictment are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981 and Title 28, United States Code, Section 2461(c).

2. As a result of committing the offenses charged in Counts 5 to 8 of this Indictment, defendant

ANTHONY SALTERS

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, that constituted and was derived from proceeds traceable to the commission of the offenses charged in Counts 5 to 8 of this Indictment.

Substitute Assets Provision

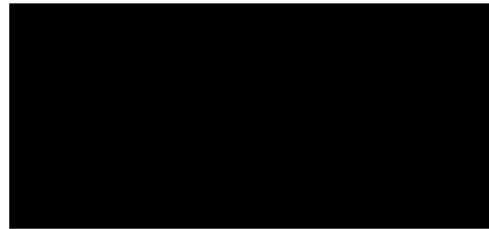
3. If any of the above-described forfeitable property, as a result of any act or omission of defendant SALTERS:

- 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;

the United States shall be entitled, pursuant to 21 U.S.C. § 853(p) (as incorporated by 28 U.S.C.

§ 2461(c)), to forfeiture of any other property of defendant SALTERS up to the value of the above-described forfeitable property.

A TRUE BILL



Craig Carpenito
CRAIG CARPENITO
UNITED STATES ATTORNEY

CASE NUMBER: 20-_____

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

UNITED STATES OF AMERICA

v.

ANTHONY SALTERS

INDICTMENT FOR

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20 U.S.C. § 1097(a); 26 U.S.C. §§ 7203
and 7206(1); and 28 U.S.C. § 2461(c)

A True Bill.

Foreperson

CRAIG CARPENITO

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