

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
 :  
 v. : Crim. No. 21-  
 :  
 OLGER FALLAS : 26 U.S.C. § 7201

I N F O R M A T I O N

**COUNTS 1-2**  
**(Tax Evasion)**

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

**Background**

1. At all times relevant to this Information:
  - a. Defendant OLGER FALLAS (“Defendant FALLAS”) owned and operated Olger Fallas Painting (“OFP”) and Olger Fallas Properties (“OFPROP”) (collectively, the “FALLAS Entities”) in Essex County, New Jersey and elsewhere.
  - b. Defendant FALLAS utilized a business bank account (“Bank Account-1”) at Bank-A for OFP business. Defendant FALLAS utilized a business bank account (“Bank Account-2”) at Bank A for OFPROP business.
  - c. Defendant FALLAS utilized a bank account (“Bank Account-3”) at Bank-A for his personal use.
  - d. Defendant FALLAS was a custodian of a bank account in the name of a minor (“Bank Account-4”) at Bank-A.

e. Defendant FALLAS deposited hundreds of thousands of dollars of OFP customer payments into Bank Account-3 and Bank Account-4.

f. Defendant FALLAS utilized the services of a check cashing business ("Check Cashier-A") to convert millions of dollars of OFP customer payments to cash. Defendant FALLAS intentionally omitted the converted customer payments from OFP's books and records. Defendant FALLAS failed to inform the FALLAS Entities' tax preparers (the "Tax Preparers") about the converted customer payments and the profits Defendant FALLAS made from the sale of an OFPROP property. Defendant FALLAS's failure to inform the Tax Preparers about the income he converted at Check Cashier-A and the income he diverted to Bank Account-3 and Bank Account-4 resulted in the filing of fraudulent individual and corporate income tax returns.

#### **The Tax Evasion Scheme**

2. From in or around 2013 to in or around 2017, in Essex County, in the District of New Jersey, and elsewhere, the defendant,

#### **OLGER FALLAS,**

did knowingly and willfully attempt to evade and defeat assessment of the individual and corporate income tax due and owing by him to the United States of America for 2013, 2014, 2015, 2016, and 2017 by filing false Forms 1040 and 1120 that underreported his individual and corporate income.

#### **Goal of the Tax Evasion Scheme**

3. The goal of the tax evasion scheme was to defraud the United States by underreporting income derived from his ownership of the FALLAS Entities.

**Manner and Means of the Tax Evasion Scheme**

4. It was part of the tax evasion scheme that:
  - a. Defendant FALLAS accepted millions of dollars in customer payments to the FALLAS Entities. Defendant FALLAS used Check Casher-A to cash check payments from FALLAS Entities' customers.
  - b. Defendant FALLAS utilized the Tax Preparers to file his individual and corporate income tax returns for 2016. Defendant FALLAS did not provide the Tax Preparers with complete financial records for the FALLAS Entities. Defendant FALLAS falsely advised his Tax Preparers that the FALLAS Entities' gross receipts were deposited into Bank Account-1 and Bank Account-2.
  - c. In order to conceal this income and purposely evade the assessment by the Internal Revenue Service ("IRS") of federal individual and corporate income tax owing on such income, Defendant FALLAS diverted business receipts from the FALLAS Entities by converting customers' checks at Check Casher-A. Defendant FALLAS also used Bank Account-3 and Bank Account-4 to deposit unreported individual and corporate income he derived from the FALLAS Entities.

**Execution of the Tax Evasion Scheme**

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

**OLGER FALLAS,**

did knowingly and willfully attempt to evade and defeat a substantial tax due and owing by him to the IRS for the tax year set forth below by filing false and fraudulent U.S. Individual and Corporate Income Tax Returns, IRS Forms 1040 and 1120, with the IRS that substantially underreported the income that Defendant FALLAS and the FALLAS Entities received.

<b>COUNT</b>	<b>RETURN &amp; TAX YEAR</b>	<b>APPROXIMATE ADDITIONAL TAX DUE AND OWING</b>	<b>DATE OF OFFENSE</b>
1	IRS Form 1040— 2016	\$ 130,000	10/12/17
2	IRS Form 1120— 2016	\$ 486,000	4/15/17

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

  
RACHAEL A. HONIG  
Acting United States Attorney

CASE NUMBER: 21 -

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**INFORMATION FOR**

26 U.S.C. § 7201

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**RACHAEL A. HONIG**

*ACTING U.S. ATTORNEY*

*NEWARK, NEW JERSEY*

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