

FILEDUNITED STATES DISTRICT COURT
ALBUQUERQUE, NEW MEXICO

IN THE UNITED STATES DISTRICT COURT

MAR 12 2021

FOR THE DISTRICT OF NEW MEXICO

MITCHELL R. ELFERS
CLERK

UNITED STATES OF AMERICA,

Plaintiff,

vs.

GEORGE MARTINEZ

Defendant.

CRIMINAL NO. 21-266 KWR

Counts 1–42: 18 U.S.C. § 1343: Wire Fraud;

Counts 43–48: 18 U.S.C. § 1957: Laundering
of Monetary Instruments; and 18 U.S.C. § 2:
Aiding and Abetting;Counts 49–91: 18 U.S.C. § 1028A:
Aggravated Identity Theft.INDICTMENT

The Grand Jury charges:

Counts 1–42

1. From on or about May 18, 2011, and continuing to on or about July 16, 2018, in Bernalillo County, in the District of New Mexico, and elsewhere, the defendant, **GEORGE MARTINEZ**, with intent to defraud, knowingly and unlawfully devised and intended to devise a scheme and artifice to defraud, and to obtain money by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing and attempting to execute the scheme and artifice caused writing, signs, and signals to be transmitted by means of wire communications in interstate commerce.

The Scheme and Artifice

2. **MARTINEZ**'s scheme and artifice consisted of using his position in the New Mexico Taxation and Revenue Department (NMTRD) to fraudulently direct tax refunds to bank accounts that he controlled.

3. **MARTINEZ** was the Unit Supervisor/Bureau Chief of the Questionable Refund Unit (QRU) at NMTRD. **MARTINEZ** was responsible for processing questionable refunds and could either assign questionable refunds to other QRU team members or review them himself.

4. **MARTINEZ**'s position allowed him to alter taxpayer information in a tax return or tax refund, including personal identifiers. **MARTINEZ** copied already processed tax returns or created new tax returns in taxpayers' accounts. **MARTINEZ** changed/entered taxpayer information, such as a taxpayer's social security number, bank account number, or withholding amounts in the return. By changing the withholding amounts, **MARTINEZ** could increase the dollar amount of a refund. By changing/entering the bank account number, he could cause the refund to be deposited into a bank account that he controlled.

5. **MARTINEZ** executed this process of creating and issuing fraudulent tax refunds numerous times, directing the funds to at least six different bank accounts. He used taxpayer information such as social security numbers, including for taxpayers who were deceased. By altering social security numbers on tax returns and refunds, **MARTINEZ** could issue multiple tax refunds under a single taxpayer's social security number and conceal the refunds within NMTRD's computer system.

6. The refunds were processed through an NMTRD bank account held at Wells Fargo Bank, and **MARTINEZ** caused interstate wire communications to be sent as part of that processing.

Execution of the Scheme

7. On or about the dates below, **MARTINEZ** caused fraudulent refunds in the below listed amounts to be issued in furtherance of the scheme.

<u>Count</u>	<u>Date</u>	<u>Name on Refund</u>	<u>SSN Used</u>	<u>Amount</u>	<u>Receiving Account</u>
1	March 18, 2016	L.G.	L.G.	\$18,097	Wells Fargo (WF) 0156
2	April 9, 2016	C.O.	M.O.	\$19,747	State Employees Credit Union (SECU) 3680
3	April 26, 2016	C.O.	C.O.	\$18,389	SECU 3690

<u>Count</u>	<u>Date</u>	<u>Name on Refund</u>	<u>SSN Used</u>	<u>Amount</u>	<u>Receiving Account</u>
4	June 17, 2016	S.O.	S.O.	\$18,630	WF 4262
5	June 23, 2016	S.O.	S.O.	\$18,090	WF 4262
6	July 2, 2016	C.O.	S.O.	\$18,097	WF 4262
7	October 5, 2016	J.O.	J.O.	\$18,405	WF 0164
8	October 21, 2016	P.G.	P.G.	\$18,261	SECU 3680
9	October 21, 2016	P.G.	P.G.	\$19,243	SECU 3680
10	November 9, 2016	P.G.	P.G.	\$9,377	SECU 3680
11	November 15, 2016	P.G.	P.G.	\$8,746	WF 4262
12	November 22, 2016	P.G.	P.G.	\$18,097	WF 4262
13	December 21, 2016	J.M.	J.M.	\$17,347	WF 4262
14	December 21, 2016	J.M.	J.M.	\$15,314	WF 4262
15	March 11, 2017	J.M.	J.M.	\$18,145	WF 4262
16	March 17, 2017	P.G.	P.G.	\$18,609	WF 4262
17	April 7, 2017	C.O.	G.O.	\$19,600	SECU 3680
18	May 3, 2017	J.O.	J.O.	\$18,337	SECU 3680
19	May 3, 2017	J.O.	J.O.	\$19,103	SECU 3680
20	June 28, 2017	C.O.	C.O.	\$19,841	WF 4262
21	July 7, 2017	J.M.	J.M.	\$18,642	WF 0156
22	August 10, 2017	C.O.	G.O.	\$19,375	WF 4262
23	August 30, 2017	D.C.	D.C.	\$16,894	SECU 3260
24	September 25, 2017	C.O.	S.O.	\$18,891	WF 4262
25	September 29, 2017	C.O.	C.O.	\$19,499	SECU 3690
26	September 29, 2017	C.O.	C.O.	\$18,577	SECU 3690
27	October 13, 2017	C.O.	C.O.	\$19,841	SECU 3690
28	October 24, 2017	C.O.	M.O.	\$17,915	WF 4262
29	October 24, 2017	C.O.	M.O.	\$19,747	WF 4262
30	November 1, 2017	J.M.	J.M.	\$19,145	WF 4262
31	November 2, 2017	J.M.	J.M.	\$18,314	WF 4262
32	December 13, 2017	J.O.	J.O.	\$19,103	WF 4262
33	February 12, 2018	P.G.	P.G.	\$18,075	WF 4262
34	February 16, 2018	C.O.	M.O.	\$19,247	WF 4262
35	February 19, 2018	C.O.	C.O.	\$18,115	SECU 3690

<u>Count</u>	<u>Date</u>	<u>Name on Refund</u>	<u>SSN Used</u>	<u>Amount</u>	<u>Receiving Account</u>
36	March 13, 2018	J.M.	J.M.	\$17,639	WF 4262
37	March 14, 2018	C.O.	M.O.	\$19,247	SECU 3690
38	May 22, 2018	C.O.	M.O.	\$4,345	SECU 3690
39	June 5, 2018	C.O.	M.O.	\$4,345	SECU 3690
40	June 22, 2018	P.G.	P.G.	\$4,525	WF 4262
41	July 2, 2018	P.G.	P.G.	\$4,496	WF 4262
42	July 16, 2018	C.O.	G.O.	\$4,345	SECU 3690
Total				\$689,797	

In violation of 18 U.S.C. §1343.

Counts 43–48

8. On or about the dates set forth below, in Bernalillo County, in the District of New Mexico, and elsewhere, **GEORGE MARTINEZ** did knowingly engage and attempt to engage in the following monetary transactions by, through, or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is, the transfer of funds, such property having been derived from a specified unlawful activity, that is, wire fraud.

<u>Count</u>	<u>Corresponding Wire Fraud Count</u>	<u>Date of Transaction</u>	<u>Description</u>	<u>Amount</u>
43	1	April 6, 2016	Transfer from WF 0156 to WF 4262	\$10,100
44	2	April 12, 2016	Transfer from SECU 3680 to SECU 4100	\$19,700
45	3	April 28, 2016	Transfer from SECU 3690 to SECU 4100	\$18,390
46	7	October 12, 2016	Transfer from WF 0164 to WF 4262	\$10,400
47	18 & 19	May 10, 2017	Transfer from SECU 3680 to SECU 4100	\$29,000
48	20	July 3, 2017	Transfer from WF 4262 to WF 6804	\$19,800

In violation of 18 U.S.C. §1957, and 18 U.S.C. § 2.

Counts 49–91

9. On or about the dates listed below, in Bernalillo County, in the District of New Mexico, and elsewhere, the defendant, **GEORGE MARTINEZ** did knowingly use, without

lawful authority, a means of identification—namely, a social security number—of another person during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), to wit, wire fraud in violation of 18 U.S.C. § 1343, knowing that the means of identification belonged to another actual person.

<u>Count</u>	<u>Corresponding Wire Fraud Count</u>	<u>Date</u>
49	1	March 18, 2016
50	2	April 9, 2016
51	3	April 26, 2016
52	4	June 17, 2016
53	5	June 23, 2016
54	6	July 2, 2016
55	7	October 5, 2016
56	8	October 21, 2016
57	9	October 21, 2016
58	10	November 9, 2016
59	11	November 15, 2016
60	12	November 22, 2016
61	13	December 21, 2016
62	14	December 21, 2016
63	15	March 11, 2017
64	16	March 17, 2017
65	17	April 7, 2017
66	18	May 3, 2017
67	19	May 3, 2017
68	20	June 28, 2017
69	21	July 7, 2017
70	22	August 10, 2017
71	23	August 30, 2017
72	24	September 25, 2017
74	25	September 29, 2017
75	26	September 29, 2017
76	27	October 13, 2017
77	28	October 24, 2017
78	29	October 24, 2017
79	30	November 1, 2017
80	31	November 2, 2017
81	32	December 13, 2017
82	33	February 12, 2018
83	34	February 16, 2018

<u>Count</u>	<u>Corresponding Wire Fraud Count</u>	<u>Date</u>
84	35	February 19, 2018
85	36	March 13, 2018
86	37	March 14, 2018
87	38	May 22, 2018
88	39	June 5, 2018
89	40	June 22, 2018
90	41	July 2, 2018
91	42	July 16, 2018

In violation of 18 U.S.C. § 1028A(a)(1).

FORFEITURE ALLEGATION

Counts 1–42 of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461.

Upon conviction of any offense in violation of 18 U.S.C. § 1343, the defendant, **GEORGE MARTINEZ**, shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461 all property constituting or derived from proceeds traceable to the commission of the offense.

The property to be forfeited to the United States includes but is not limited to the following:

MONEY JUDGMENT:

A sum of money, representing all property constituting or derived from proceeds traceable to the commission of the offense.

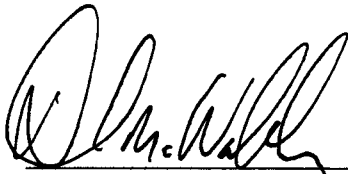
SUBSTITUTE ASSETS:

If any of the above-described forfeitable property, as a result of any act or omission of the Defendant:

- A. Cannot be located upon exercise of due diligence;
- B. Has been transferred or sold to, or deposited with, a third person;
- C. Has been placed beyond the jurisdiction of the Court;
- D. Has been substantially diminished in value;
- E. Has been commingled with other property which cannot be subdivided 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, to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL:


Assistant United States Attorney

15/
FOREPERSON OF THE GRAND JURY