

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

UNITED STATES OF AMERICA

v.

MARK CARLSON

Criminal Case No. 1:22CR04MSM-LDA

In violation of 26 U.S.C. § 7202 and 26 U.S.C. § 7206(1)

INFORMATION

The United States Attorney charges that:

At all times relevant to this Information:

1. American Pride Insulation Inc., was an insulation installation business incorporated in Nevada and operating at 120 Manton Avenue, Providence, Rhode Island. American Pride was owned by F.D.
2. Atlantic Abatement & Construction, Inc. was an asbestos removal company, incorporated in Nevada with its principal place of business at 120 Manton Avenue, Providence, Rhode Island. K.B. was the President and owner of Atlantic Abatement & Construction.
3. The Leo Brynes Trust (the “Trust”) was established in 1965. H.B. was a trustee and exercised control over the Trust. The Trust operates businesses known as Manton Industries whose principal place of business is location at 120 Manton Avenue. The three businesses, American Pride Insulation, Atlantic Abatement & Construction, and the Leo Brynes Trust are collectively referred to in this Information as “the businesses.”
4. Defendant MARK CARLSON resided in Rhode Island and was the Vice-President of American Pride Insulation and Atlantic Abatement and Construction.
5. Defendant CARLSON managed all aspects of the businesses’ finances, including approving payments, paying bills, managing and balancing the company check books, maintaining accounting ledgers and check book registers for the purpose of tracking company

funds and controlling all of the bank accounts.

6. Defendant Carlson was responsible for the preparation of the businesses' corporate tax returns, issuance of W2s to employees, and accounting for and paying over of payroll taxes.

7. At all times relevant to this Information, the businesses withheld taxes from its employees' paychecks, including federal income taxes, Medicare and social security taxes (often referred to as Federal Insurance Contribution Act or "FICA" taxes). These taxes will be referred to in this Information collectively as "payroll taxes."

8. The businesses were required to make deposits of the payroll taxes to the Internal Revenue Service on a periodic basis. In addition, the businesses were required to file, following the end of each calendar quarter, an Employer's Quarterly Federal Income Tax Return (Form 941), setting forth the total amount of wages and other compensation subject to withholding, the total amount of income tax withheld, the total amount of social security and Medicare taxes due, and the total tax deposits.

9. As the office and business manager of the businesses, defendant Carlson was a "responsible person," that is, he had the corporate responsibility to collect, truthfully account for, and pay over the businesses' payroll taxes.

COUNTS ONE THROUGH FOURTEEN

Failure to Truthfully Account for and Pay Over Withholding and FICA Taxes In Violation of 26 U.S.C. § 7202

10. Throughout the calendar years 2015 through 2018, the businesses withheld tax payments from its employees' paychecks. However, beginning in approximately June 2015, the businesses made no payments to the Internal Revenue Service, which were due September 30, 2015.

11. Beginning in 2015, the businesses further failed to file quarterly employment tax returns (Forms 941) with the Internal Revenue Service. Each Form 941 was due to be filed at the end of the month following the end of each calendar quarter. For example, the Form 941 for the 3rd quarter of 2015 was due on or before September 30, 2015, since the 3rd calendar quarter ended on August 31, 2015.

12. Beginning on or about September 30, 2015, and continuing up to and including on or about December 2018, in the District of Rhode Island, the defendant, MARK CARLSON, did willfully fail to truthfully account for and pay over to the Internal Revenue Service all of the federal income taxes withheld and FICA taxes due and owing to the United States on behalf of the businesses and its employees, for each of the following quarters, with each calendar quarter constituting a separate count of this Information:

COUNT 1	3RD QUARTER 2015	\$71,700.82
COUNT 2	4TH QUARTER 2015	\$71,700.82
COUNT 3	1ST QUARTER 2016	\$100,238.84
COUNT 4	2ND QUARTER 2016	\$100,238.84
COUNT 5	3RD QUARTER 2016	\$100,238.84
COUNT 6	4TH QUARTER 2016	\$100,238.84
COUNT 7	1ST QUARTER 2017	\$92,539.30
COUNT 8	2ND QUARTER 2017	\$92,539.30
COUNT 9	3RD QUARTER 2017	\$92,539.30
COUNT 10	4TH QUARTER 2017	\$92,539.30
COUNT 11	1ST QUARTER 2018	\$66,210.40
COUNT 12	2ND QUARTER 2018	\$66,210.40

COUNT 13	3RD QUARTER 2018	\$66,210.40
COUNT 14	4TH QUARTER 2018	\$66,210.40

COUNT FIFTEEN

False Tax Return In Violation of 26 U.S.C. § 7206(1)

13. Defendant MARK CARLSON created a 2018 W2 from American Pride Insulation which falsely represented that \$6,530 had been withheld in employment taxes on his behalf and paid over to the IRS, when in fact he knew that no money had been paid over to the IRS.

14. Defendant MARK CARLSON created a 2018 W2 from the Leo Brynes Trust which falsely represented that \$2,416 had been withheld in employment taxes on his behalf and paid over to the IRS, when in fact he knew that no money had been paid over to the IRS.

15. That on or about May 16, 2019, in the District of Rhode Island, defendant MARK CARLSON, did willfully make and subscribe a U.S. Individual Tax Return, Form 1040, which was verified by a written declaration that it was made under the penalties of perjury and which defendant CARLSON did not believe to be true and correct as to every material matter. That U.S. Individual Tax Return, Form 1040, which was filed with the Director, Internal Revenue Service Center, on behalf of defendant CARLSON, stated that the total amount in employment taxes paid over to the IRS on his behalf for 2018 was \$8,946 whereas, as he then and there knew, no money had been paid over to the IRS on his behalf and should not be deducted from his income tax liability.

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

ZACHARY A. CUNHA
United States Attorney

A handwritten signature in blue ink, appearing to read 'Dulce Donovan', with a stylized, flowing script.

DULCE DONOVAN
Assistant U.S. Attorney

A handwritten signature in blue ink, appearing to read 'Lee Vilker', with a stylized, flowing script.

LEE H. VILKER
Assistant U.S. Attorney
Deputy Chief, Criminal Division

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☒ INFORMATION ☐ INDICTMENT ☐ COMPLAINT

CASE NO. 1:22CR04MSM-LDA

Matter Sealed: ☐ Juvenile ☐ Other than Juvenile☐ Pre-Indictment Plea ☐ Superseding ☐ Defendant Added
☐ Indictment ☐ Charges/Counts Added
☐ Information

Name of District Court, and/or Judge/Magistrate Location (City)

UNITED STATES DISTRICT COURT RHODE ISLAND
DISTRICT OF RHODE ISLAND Divisional OfficeName and Office of Person FURNISHING INFORMATION ON THIS FORM ZACHARY A. CUNHA
☒ U.S. Atty ☐ Other U.S. Agency
Phone No. (401) 709-5000Name of Asst. U.S. Attorney Dulce Donovan
(if assigned)

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Internal Revenue Service☐ person is awaiting trial in another Federal or State Court
(give name of court)☐ this person/proceeding transferred from another district
per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges
previously dismissed which were
dismissed on motion of:☐ U.S. Atty ☐ Defense☐ this prosecution relates to a
pending case involving this same
defendant. (Notice of Related
Case must still be filed with the
Clerk.)☐ prior proceedings or appearance(s)
before U.S. Magistrate Judge
regarding this defendant were
recorded underSHOW
DOCKET NO.MAG. JUDGE
CASE NO.

Place of offense RHODE ISLAND

County

USA vs.

Defendant: Mark Carlson

Address:

☐ Interpreter Required Dialect: _____Birth Date _____ ☒ Male ☐ Alien
☐ Female (if applicable)

Social Security Number _____

DEFENDANT

Issue: ☐ Warrant ☒ Summons

Location Status:

Arrest Date _____ or Date Transferred to Federal Custody _____

☐ Currently in Federal Custody☐ Currently in State Custody☐ Writ Required☐ Currently on bond☐ Fugitive

Defense Counsel (if any): Robert Mann, Esq.

☐ FPD ☐ CJA ☒ RET'D☐ Appointed on Target Letter☐ This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 15

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
1-14	26 U.S.C. § 7202	Failure to account/pay over withholding & FICA taxes	<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
Max	Penalty: 5yrs imprisonment; 3yrs S/R;	\$10,000 fine; and \$100 special assessment	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
15	26 U.S.C. § 7206(1)	Filing a False Tax Return	<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
Max	Penalty: 3yrs imprisonment; 3 yrs S/R;	\$100,000 fine; and \$100 special assessment	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Estimated Trial Days: 3	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor

UNITED STATES DISTRICT COURT

for the
District of Rhode Island

United States of America

v.

Mark Carlson

Defendant

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Case No. 1:22CR04MSM-LDA

WAIVER OF AN INDICTMENT

I understand that I have been accused of one or more offenses punishable by imprisonment for more than one year. I was advised in open court of my rights and the nature of the proposed charges against me.

After receiving this advice, I waive my right to prosecution by indictment and consent to prosecution by information.

Date: _____

Defendant's signature

Signature of defendant's attorney

Robert Mann, Esq.

Printed name of defendant's attorney

Judge's signature

Judge's printed name and title