

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No. 11-
 :
 RONALD PATETTA : 18 U.S.C. §§ 7201 and 7206(1)

I N D I C T M E N T

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

COUNT ONE

(Personal Income Tax Evasion - 2001)

1. At all times relevant to this Indictment,
defendant RONALD PATETTA was a resident of Branchburg, New
Jersey, and a financial planner, who sold products for a number
of different insurance companies (collectively the "Insurance
Employers").

Defendant PATETTA's Personal Income Tax Evasion

2. From in or about 2001 through in or about 2005,
defendant PATETTA received commissions from the Insurance
Employers from his sales of their products. Although the
Insurance Employers issued Internal Revenue Service ("IRS") Forms
1099 and W-2, reflecting the commissions paid to defendant
PATETTA, defendant PATETTA did not pay any federal income taxes
in connection with this income.

3. Specifically, defendant PATETTA received income from the Insurance Employers upon which there was a tax due and owing in the following approximate amounts in the years identified below:

Tax Year	Taxable Income	Tax Due and Owing
2001	\$167,527	\$51,085
2002	\$158,837	\$63,204
2003	\$206,763	\$71,202
2004	\$160,466	\$50,882
2005	\$197,380	\$68,573
TOTAL	\$890,973	\$304,946

4. Despite earning the taxable income listed above, defendant PATETTA failed to file any U.S. Individual Income Tax Returns, Forms 1040, for the 2001 through 2005 calendar years in a timely manner. As discussed below, between in or about July and in or about October 2006, defendant PATETTA wilfully subscribed to false tax returns for the 2001 through 2005 calendar years.

A. Defendant PATETTA's Willful Subscription to False Tax Returns

The 2001 Tax Return

5. On or about July 12, 2006, defendant PATETTA signed and caused to be filed with the IRS a 2001 U.S. Individual Income Tax Return, Form 1040A (the "2001 Tax Return"). The 2001 Tax Return stated that defendant PATETTA's gross income for calendar year 2001 totaled \$0. Defendant PATETTA also attached,

or caused to be attached, "corrected" IRS Forms 1099, showing \$0 income from various Insurance Employers, to the 2001 Tax Return. The 2001 Tax Return was signed by defendant PATETTA and contained a written declaration that it was signed under the penalties of perjury.

6. The 2001 Tax Return was not true and correct as to every material matter in that, among other things, the return failed to report approximately \$167,527 in income that defendant PATETTA received from various Insurance Employers during calendar year 2001, upon which a substantial tax was due and owing.

The 2002 Tax Return

7. On or about July 11, 2006, defendant PATETTA signed and caused to be filed with the IRS a 2002 U.S. Individual Income Tax Return, Form 1040A (the "2002 Tax Return"). The 2002 Tax Return stated that defendant PATETTA's gross income for calendar year 2002 totaled \$0. Defendant PATETTA also attached, or caused to be attached, "corrected" IRS Forms 1099, showing \$0 income from various Insurance Employers, to the 2002 Tax Return. The 2002 Tax Return was signed by defendant PATETTA and contained a written declaration that it was signed under the penalties of perjury.

8. The 2002 Tax Return was not true and correct as to every material matter in that, among other things, the return failed to report approximately \$158,837 in income that defendant PATETTA received from various Insurance Employers during calendar

year 2002, upon which a substantial tax was due and owing.

The 2003 Tax Return

9. On or about July 10, 2006, defendant PATETTA signed and caused to be filed with the IRS a 2003 U.S. Individual Income Tax Return, Form 1040A (the "2003 Tax Return"). The 2003 Tax Return stated that defendant PATETTA's gross income for calendar year 2003 totaled \$0. Defendant PATETTA also attached, or caused to be attached, "corrected" IRS Forms 1099, showing \$0 income from various Insurance Employers, to the 2003 Tax Return. The 2003 Tax Return was signed by defendant PATETTA and contained a written declaration that it was signed under the penalties of perjury.

10. The 2003 Tax Return was not true and correct as to every material matter in that, among other things, the return failed to report approximately \$206,763 in income that defendant PATETTA received from various Insurance Employers during calendar year 2003, upon which a substantial tax was due and owing.

The 2004 Tax Return

11. On or about October 9, 2006, defendant PATETTA signed and caused to be filed with the IRS a 2004 U.S. Individual Income Tax Return, Form 1040A (the "2004 Tax Return"). The 2004 Tax Return stated that defendant PATETTA's gross income for calendar year 2004 totaled \$0. Defendant PATETTA also attached, or caused to be attached, "corrected" IRS Forms 1099, showing \$0

income from various Insurance Employers, to the 2004 Tax Return. The 2004 Tax Return was signed by defendant PATETTA and contained a written declaration that it was signed under the penalties of perjury.

12. The 2004 Tax Return was not true and correct as to every material matter in that, among other things, the return failed to report approximately \$160,466 in income that defendant PATETTA received from various Insurance Employers during calendar year 2004, upon which a substantial tax was due and owing.

The 2005 Tax Return

13. On or about October 15, 2006, defendant PATETTA signed and caused to be filed with the IRS a 2005 U.S. Individual Income Tax Return, Form 1040A (the "2005 Tax Return"). The 2005 Tax Return stated that defendant PATETTA's gross income for calendar year 2005 totaled \$0. Defendant PATETTA also attached, or caused to be attached, "corrected" IRS Forms 1099, showing \$0 income from various Insurance Employers, to the 2005 Tax Return. The 2005 Tax Return was signed by defendant PATETTA and contained a written declaration that it was signed under the penalties of perjury.

14. The 2005 Tax Return was not true and correct as to every material matter in that, among other things, the return failed to report approximately \$197,380 in income that defendant PATETTA received from various Insurance Employers during calendar

year 2005, upon which a substantial tax was due and owing.

B. Defendant PATETTA's 2007 Chapter 13 Bankruptcy Filing

15. In or about April 2007, defendant PATETTA filed for bankruptcy under Chapter 13 of the United States Bankruptcy Code. As required by the Code, defendant PATETTA listed his assets and liabilities in his bankruptcy filing. Among his liabilities, defendant PATETTA listed approximately \$440,000 for past taxes owed to the IRS.

C. Defendant PATETTA's Efforts to Obstruct the IRS's Investigation

16. From in or about July 2006 through in or about August 2007, defendant PATETTA was contacted by IRS Revenue Officers and Special Agents regarding his failure to file and pay federal income taxes in previous years (the "IRS Investigation"). As part of the IRS Investigation, IRS Revenue Officers and Special Agents sought information from the Insurance Employers through the issuance of summonses.

17. In response, defendant PATETTA sent a number of letters to the IRS Revenue Officers and Special Agents, challenging the legality of their conduct, their legal authority to perform their jobs, and threatening them with legal action if they persisted. Defendant PATETTA also sent "cease and desist" letters to the various Insurance Employers, threatening them with legal action if they complied with any IRS summonses requesting information concerning defendant PATETTA.

18. Between on or about April 15, 2002 and in or about August 2007, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing to the United States for the calendar year 2001 by failing to timely pay taxes due and owing to the United States, by obstructing the Internal Revenue Service's ability to assess and collect income tax, and by signing and causing to be filed a false and fraudulent 2001 U.S. Individual Income Tax Return, Form 1040A, described in Paragraph 5 of this Indictment, knowing it to be false and fraudulent as described in Paragraph 6 of this Indictment.

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

COUNT TWO

(Personal Income Tax Evasion - 2002)

1. The allegations contained in Paragraphs 1 through 17 of Count One of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. Between on or about April 15, 2003 and in or about August 2007, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing to the United States for the calendar year 2002 by failing to timely pay taxes due and owing to the United States, by obstructing the Internal Revenue Service's ability to assess and collect income tax, and by signing and causing to be filed a false and fraudulent 2002 U.S. Individual Income Tax Return, Form 1040A, described in Paragraph 7 of this Indictment, knowing it to be false and fraudulent as described in Paragraph 8 of this Indictment.

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

COUNT THREE

(Personal Income Tax Evasion - 2003)

1. The allegations contained in Paragraphs 1 through 17 of Count One of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. Between on or about April 15, 2004 and in or about August 2007, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing to the United States for the calendar year 2004 by failing to timely pay taxes due and owing to the United States, by obstructing the Internal Revenue Service's ability to assess and collect income tax, and by signing and causing to be filed a false and fraudulent 2004 U.S. Individual Income Tax Return, Form 1040A, described in Paragraph 9 of this Indictment, knowing it to be false and fraudulent as described in Paragraph 10 of this Indictment.

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

COUNT FOUR
(Personal Income Tax Evasion - 2004)

1. The allegations contained in Paragraphs 1 through 17 of Count One of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. Between on or about April 15, 2005 and in or about August 2007, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing to the United States for the calendar year 2004 by failing to timely pay taxes due and owing to the United States, by obstructing the Internal Revenue Service's ability to assess and collect income tax, and by signing and causing to be filed a false and fraudulent 2004 U.S. Individual Income Tax Return, Form 1040A, described in Paragraph 11 of this Indictment, knowing it to be false and fraudulent as described in Paragraph 12 of this Indictment.

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

COUNT FIVE
(Personal Income Tax Evasion - 2005)

1. The allegations contained in Paragraphs 1 through 17 of Count One of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. Between on or about April 17, 2006 and in or about August 2007, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing to the United States for the calendar year 2005 by failing to timely pay taxes due and owing to the United States, by obstructing the Internal Revenue Service's ability to assess and collect income tax, and by signing and causing to be filed a false and fraudulent 2005 U.S. Individual Income Tax Return, Form 1040A, described in Paragraph 13 of this Indictment, knowing it to be false and fraudulent as described in Paragraph 14 of this Indictment.

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

COUNT SIX

(Willful Subscription to a False Tax Return - 2001)

On or about July 12, 2006, in the District of New Jersey and elsewhere, defendant:

RONALD PATETTA

did knowingly and willfully make and subscribe to a 2001 U.S. Individual Income Tax Return, Form 1040A, as described in Paragraph 5 of Count One of this Indictment, which he did not believe to be true and correct as to every material matter, as described in Paragraph 6 of Count One of this Indictment.

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

COUNT SEVEN

(Willful Subscription to a False Tax Return - 2002)

On or about July 11, 2006, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully make and subscribe to a 2002 U.S. Individual Income Tax Return, Form 1040A, as described in Paragraph 7 of Count One of this Indictment, which he did not believe to be true and correct as to every material matter, as described in Paragraph 8 of Count One of this Indictment.

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

COUNT EIGHT

(Willful Subscription to a False Tax Return - 2003)

On or about July 10, 2006, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully make and subscribe to a 2003 U.S. Individual Income Tax Return, Form 1040A, as described in Paragraph 9 of Count One of this Indictment, which he did not believe to be true and correct as to every material matter, as described in Paragraph 10 of Count One of this Indictment.

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

COUNT NINE

(Willful Subscription to a False Tax Return - 2004)

On or about October 9, 2006, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully make and subscribe to a 2004 U.S. Individual Income Tax Return, Form 1040A, as described in Paragraph 11 of Count One of this Indictment, which he did not believe to be true and correct as to every material matter, as described in Paragraph 12 of Count One of this Indictment.

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

COUNT TEN

(Willful Subscription to a False Tax Return - 2005)

On or about October 15, 2006, in the District of New Jersey and elsewhere, defendant

RONALD PATETTA

did knowingly and willfully make and subscribe to a 2005 U.S. Individual Income Tax Return, Form 1040A, as described in Paragraph 13 of Count One of this Indictment, which he did not believe to be true and correct as to every material matter, as described in Paragraph 14 of Count One of this Indictment.

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

A TRUE BILL

FOREPERSON


PAUL J. FISHMAN
UNITED STATES ATTORNEY

CASE NUMBER: _____

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

UNITED STATES OF AMERICA

v.

RONALD PATETTA

INDICTMENT FOR

26 USC §§ 7201 & 7206(1)

A True Bill,

Foreperson

**PAUL J. FISHMAN
UNITED STATES ATTORNEY
NEWARK, NEW JERSEY**

**GURBIR SINGH GREWAL
ASSISTANT U.S. ATTORNEY
(973) 645-2931**

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