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F. #2015R00556

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- X

UNITED STATES OF AMERICA

INDICTMENT

- against -

Cr. No. **CR - 17 0037**
(T. 26, U.S.C., §§ 7201 and 7212(a); T. 18,
U.S.C., §§ 2 and 3551 et seq.)

GERARD TERRY,

Defendant.

SEYBERT, J.

-----X

BROWN, M. J.

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

1. The defendant GERARD TERRY, a resident of East Hills, New York, was an attorney licensed to practice in New York state. In addition to operating his own law practice, TERRY held several local government positions and provided legal services as an employee and as an independent contractor for various private entities and civic organizations within the Eastern District of New York.

2. The Internal Revenue Service ("IRS") was an agency of the U.S. Department of the Treasury responsible for administering the internal revenue laws of the United States, including the ascertainment, computation, and assessment of taxes, including federal income taxes.

3. In or about and between 2000 and 2015, the defendant GERARD TERRY received compensation for legal services provided from various government and

non-governmental entities. During this period of time, TERRY knowingly and willfully attempted to evade and defeat substantial federal income tax due and owed by him. To date, for tax years 2000 through 2015, TERRY has accumulated approximately \$1,448,629 of tax due and owing, including interest and penalties.

COUNT ONE

(Obstructing and Impeding the Due Administration of the Internal Revenue Laws)

4. The allegations contained in paragraphs one through three are re-alleged and incorporated as if fully set forth in this paragraph.

5. In or about and between January 2000 and January 2017, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant GERARD TERRY, together with others, did corruptly endeavor to obstruct and impede the due administration of the internal revenue laws of the United States through various means and methods, including, among others, the following:

- a. failing to timely file personal Form 1040 tax returns for the tax years 2000 through 2008 and 2011 through 2014;
- b. failing to file personal Form 1040 tax returns for the tax years 2009 and 2010;
- c. filing false personal Form 1040 tax returns under the penalty of perjury for the tax years 2013 and 2015, which tax returns were false insofar as they failed to report income, including non-employee compensation that TERRY had derived from Law Firm #1, an entity whose identity is known to the Grand Jury;
- d. cashing over \$500,000 worth of checks that represented income, rather

than depositing said checks into checking or savings accounts, so as to avoid levy collection by the IRS;

- e. transmitting and causing to be transmitted false, misleading, and incomplete information to his tax preparer, knowing that the tax preparer would include such information in filings and communications with the IRS;
- f. transmitting and causing the transmission of false and misleading information to the IRS;
- g. creating and utilizing a checking account in the name of a corporate nominee, Neville Warwick LLC, so as to conceal such income and avoid levy collection by the IRS;
- h. causing and attempting to cause employers and individuals to not comply with Notices of Levy received by the IRS; and
- i. failing to keep books and records of his business activities.

(Title 26, United States Code, Section 7212(a); Title 18, United States Code,

Sections 2 and 3551 et seq.)

COUNT TWO
(Tax Evasion)

6. The allegations contained in paragraphs one through three are re-alleged and incorporated as if fully set forth in this paragraph.

7. In or about and between January 2000 and January 2017, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant GERARD TERRY did knowingly and willfully attempt to evade and defeat

substantial income tax due and owing by him to the United States of America, and the payment thereof, for the tax years 2000 through 2015, in the amount of approximately \$992,057, by one or more affirmative acts of evasion, including, to wit:

- a. failing to timely file personal Form 1040 tax returns for the tax years 2000 through 2008 and 2011 through 2014;
- b. failing to file personal Form 1040 tax returns for the tax years 2009 and 2010;
- c. filing false personal Form 1040 tax returns under the penalty of perjury for the tax years 2013 and 2015, which tax returns were false insofar as they failed to report income, including non-employee compensation that TERRY had derived from Law Firm #1;
- d. cashing over \$500,000 worth of checks that represented income, rather than depositing said checks into checking or savings accounts, so as to avoid levy collection by the IRS;
- e. transmitting and causing to be transmitted false, misleading, and incomplete information to his tax preparer, knowing that the tax preparer would include such information in filings and communications with the IRS;
- f. transmitting and causing the transmission of false and misleading information to the IRS;
- g. creating and utilizing a checking account in the name of a corporate nominee, Neville Warwick LLC, so as to conceal such income and

- avoid levy collection by the IRS;
- h. causing and attempting to cause employers and individuals to not comply with Notices of Levy received by the IRS; and
 - i. failing to keep books and records of his business activities.

(Title 26, United States Code, Section 7201; Title 18, United States Code, Sections 3551 et seq.)

A TRUE BILL



FOREPERSON



ROBERT L. CAPERS
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

No. _____

UNITED STATES DISTRICT COURT

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

GERARD TERRY,

Defendant.

INDICTMENT

(T. 26, U.S.C., §§ 7201, 7212(a); T. 18, U.S.C., §§ 2 and 3551 et seq.)

A true bill.

Nedwin Pennington

Foreperson

Filed in open court this _____ day,

of _____ A.D. 20 _____

Clerk

Bail, \$ _____

Artie McConnell, Assistant U.S. Attorney (631)715-7825