

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : **CRIMINAL NO.**_____

v. : **DATE FILED:** _____

JOSEPH WHITE : **VIOLATION:**
: **26 U.S.C. § 7201 (attempted**
: **evasion of payment of tax -**
: **1 count)**

INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times relevant to this Information, unless other indicated:

1. The Internal Revenue Service (“IRS”) was an agency within the United States Treasury Department. The IRS was responsible for enforcing the tax laws of the United States which included the collection, among others, of delinquent personal income, corporate, employment, trust and estate taxes.

THE DEFENDANT

2. Defendant JOSEPH WHITE (“defendant WHITE”) was an electrical contractor from at least 2000 through 2011. From approximately May 2001 through 2010, defendant WHITE operated his electrical contracting business, as a corporation, using the name PCE Electric (“PCE”). WHITE subsequently changed PCE’s name to Thomas Edison Electric (“TEE”).

3. The corporate officers of PCE and TEE were both located in Southampton,

Pennsylvania. Before forming PCE and TEE, defendant WHITE had formed Happe Limited Partnership (“HAPPE”) in the State of Nevada on or about December 31, 1997. HAPPE was a nominee entity used by defendant WHITE to register the title of vehicles which were purchased and used by the defendant.

4. During calendar years 2000 through 2011, defendant WHITE diverted funds from his two corporations which he used for personal consumption without accounting for the income, or causing the corporations to issue him IRS Forms 1099, which documented monies that he took from the corporations. In addition to engaging in a corporate diversion scheme, defendant WHITE also registered in the name of HAPPE the title to vehicles that he had purchased using, at least in part, funds that he diverted from his corporations.

5. On August 6, 2009, defendant WHITE filed federal income tax return for tax years 2000 through 2008. However, defendant WHITE failed to remit the entire amount of his outstanding tax liability.

6. Defendant WHITE timely filed tax returns for tax years 2009 through 2011, but failed to remit the entire amount of the tax liability that he owed.

7. The income reported on the returns by defendant WHITE, and the tax due and owing that the defendant self- assessed himself, is set forth in the following chart:

Tax Year	Income Per IRS Form 1040	Tax Due
2000	\$110,125.00	\$39,902.00
2001	\$143,550.00	\$52,318.00
2002	\$148,650.00	\$53,576.00

Tax Year	Income Per IRS Form 1040	Tax Due
2003	\$135,269.00	\$45,970.00
2004	\$102,383.00	\$34,753.00
2005	\$159,742.00	\$51,183.00
2006	\$146,353.00	\$48,866.00
2007	\$549,928.00	\$192,258.00
2008	\$166,323.00	\$56,623.00
2009	\$291,667.00	\$96,152
2010	\$187,450.00	\$56,944
2011	\$3,791,546.00	\$15,000

8. After defendant WHITE filed delinquent tax returns, which were unaccompanied by the complete payment of the tax liability, an IRS revenue officer contacted defendant WHITE regarding his intention to pay the delinquent taxes. Defendant WHITE informed the IRS revenue officer that he wanted to pay the tax delinquency through an Installment Agreement.

9. Defendant WHITE was advised that he would have to complete IRS Form 433-A before the IRS would consider his request to enter into an Installment Agreement. Defendant WHITE prepared the IRS Form 433-A which contained materially false statements regarding the value of his assets. While the IRS was reviewing defendant WHITE's proposed Installment Agreement, the defendant continued to divert money from his corporations which he spent for personal consumption.

10. After initially stating that he wanted to pay his delinquent taxes

through the Installment Agreement process, defendant WHITE sought the IRS's concurrence regarding an Offer in Compromise. In connection with the Offer in Compromise, defendant WHITE prepared IRS Form 656. Although he continued to spend monies that he diverted from his corporations on personal expenditures, the basis for the defendant's Offer in Compromise was stated as "doubts as to collectability."

11. Defendant WHITE's Offer in Compromise was rejected because he failed to provide the IRS with confirmation documents pertaining to the value of his assets and liabilities that he owed.

12. From in or about 2000 through in or about 2011, in the Eastern District of Pennsylvania and elsewhere, defendant

JOSEPH WHITE

willfully attempted to evade and defeat the payment of a large part of the tax due and owing to the United States of America for calendar years 2000 through 2011 by: (a) diverting funds from two corporations which he used for personal consumption without accounting for the income; (b) causing the title to vehicles that he purchased, using in part corporate funds, to be registered in the name of HAPPE, a partnership that the defendant formed in the State of Nevada; (c) causing his corporations not to issue IRS Forms 1099 to him or file corporate tax returns accounting for the money that the defendant diverted to himself; (d) making materially false statements on IRS Forms 424-

A and 656 regarding his assets; and (e) using a social security number at a casino which had not been assigned to him by the Social Security Administration.

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

ZANE DAVID MEMEGER
UNITED STATES ATTORNEY