

The Tax Year 2016 Filings

3. Beginning in or about the summer of 2016, JAMEEN WALKER, the defendant, filed quarterly Forms 941 with the IRS on behalf of Stallings Empire Corporation for tax year 2016. On several of the Forms 941 filed for tax year 2016, WALKER falsely claimed that Stallings Empire Corporation had a single employee who was paid millions of dollars and for whom millions of dollars had been withheld in federal taxes. In truth and in fact, no federal taxes were withheld, nor paid to the IRS on behalf of any employee of Stallings Empire Corporation, for any period of 2016.

4. JAMEEN WALKER, the defendant, filed four Forms 1040 for tax year 2016 (the "2016 Forms 1040"), at least three of which were identical. On each of these three 2016 Forms 1040, WALKER falsely claimed that Stallings Empire Corporation had paid him \$19,700,000 in 2016, of which approximately \$14,600,000 had been withheld in federal taxes. WALKER further falsely claimed to be owed a federal tax refund of \$6,845,675. One of the 2016 Forms 1040 was mailed to the IRS from New York, New York, on or about July 29, 2017. The IRS ultimately adjusted WALKER's claimed refund for tax year 2016, and the more than \$6.8 million refund claimed by WALKER was not issued.

The Tax Year 2018 Filings

5. For each quarter of 2018, JAMEEN WALKER, the defendant, electronically filed Forms 941 for Stallings Empire Corporation related to its quarterly tax withholdings. WALKER subsequently filed multiple Forms 941-X ("Adjusted Employer's Quarter Federal Tax Return or Claim for Refund") as to the third quarter of 2018 (collectively, the "2018 Forms 941").

a. The 2018 Forms 941 related to the first, second, and fourth quarters reported zero wages, tips, and other compensation paid by Stallings Empire Corporation and zero federal income tax withheld.

b. WALKER filed a Form 941 and three Forms 941-X for the third quarter of 2018.

i. In or about October 2018, WALKER electronically filed a Form 941 for the third quarter of 2018, falsely reporting that Stallings Empire Corporation had paid its single employee \$8,900,000 in wages, tips, and other compensation, of which \$3,500,000 had been withheld in federal taxes.

ii. In or about November 2018, WALKER filed a Form 941-X for the third quarter of 2018 (the "First Adjusted Q3 Form 941"). The First Adjusted Q3 Form 941 was mailed to the IRS from New York, New York. The First Adjusted Q3 Form 941 was

also signed by WALKER, who was listed as "Owner/CEO" of Stallings Empire Corporation, and dated November 8, 2018. The First Adjusted Q3 Form 941 falsely reported that Stallings Empire Corporation had, in the third quarter of 2018, paid \$8,900,000 in wages, tips, and other compensation, of which \$6,900,000 had been withheld in federal taxes.

iii. In or about December 2018, WALKER filed an additional Form 941-X for the third quarter of 2018 (the "Second Adjusted Q3 Form 941"), which was mailed to the IRS from New York, New York. The Second Adjusted Q3 Form 941 was signed by WALKER, who was listed as "Owner" of Stallings Empire Corporation. The Second Adjusted Q3 Form 941 falsely reported that Stallings Empire Corporation paid \$7,500,000 in wages, tips, and other compensation, of which \$5,300,000 had been withheld in federal taxes.

iv. In or about January 2019, WALKER filed yet another Form 941-X for the third quarter of 2018 (the "Third Adjusted Q3 Form 941"), which was mailed to the IRS from New York, New York. The Third Adjusted Q3 Form 941 was signed by WALKER, who was listed as "Business Owner" of Stallings Empire Corporation. Like the Second Adjusted Q3 Form 941, the Third Adjusted Q3 Form 941 falsely reported that Stallings Empire Corporation paid \$7,500,000 in wages, tips, and other

compensation, of which \$5,300,000 had been withheld in federal taxes.

c. In truth and in fact, no federal taxes were withheld, nor paid to the IRS on behalf of any employee of Stallings Empire Corporation, for any period of 2018.

6. Indeed, JAMEEN WALKER, the defendant, had almost no income in 2018. In or about December 2018, an IRS Revenue Officer seeking to collect on unpaid taxes spoke with WALKER by telephone. In the course of that call, WALKER stated, in substance and in part, that he was homeless and lived at a hotel in the Bronx (the "Bronx Hotel") paid for by the New York City Department of Homeless Services. WALKER also stated, in substance and in part, that he was self-employed doing foreign exchange trading, that his only asset was his computer, that he prepared his own taxes, and that he made estimated tax payments when he made a profit trading. WALKER further stated, in substance in part, that in 2018 he worked in a temporary park services position, earning \$13.50 per hour.

7. In or about January 2019, JAMEEN WALKER, the defendant, self-prepared and mailed a Form 1040 for tax year 2018 (the "2018 Form 1040"). In the 2018 Form 1040, WALKER falsely claimed that in 2018, he had earned income in the amount of \$16,410,125. The 2018 Form 1040 also attached Forms W-2.

The Forms W-2 issued by Stallings Empire Corporation falsely reported that WALKER had been paid a total of \$16,400,000, of which \$12,200,000 had been withheld in federal taxes. WALKER attached an additional record indicating that he had been paid \$10,125.47 in wages by the City of New York, resulting in federal withholdings of approximately \$771. WALKER claimed a total refund of \$7,286,515.

8. Based on the false 2018 Form 1040 filed by JAMEEN WALKER, the defendant, the IRS issued a refund. While some portion of that refund was credited to outstanding tax obligations attributable to WALKER, the IRS ultimately mailed a U.S. Treasury tax refund check (the "2018 Refund Check") to WALKER at the Bronx Hotel in the amount of \$6,932,954.80.

9. On or about August 26, 2019, JAMEEN WALKER, the defendant, opened a checking account ("Checking Account-1") in his own name with a bank ("Bank-1"). WALKER was the only signatory to Checking Account-1. On or about the same day, WALKER and another individual ("Individual-1") visited a branch of Bank-1 located in the Bronx, New York and deposited the 2018 Refund Check into Checking Account-1.

a. WALKER subsequently made several large cash withdrawals out of Checking Account-1. Between on or about September 5, 2019 and on or about September 10, 2019, WALKER

withdrew in excess of approximately \$29,700 in cash from Account-1, including making multiple withdrawals at ATM machines located in the Bronx, New York.

b. On or about September 9, 2019, WALKER made five separate transfers of \$10,000 each from Checking Account-1 to an account in his name at Forex.com, an online foreign currency exchange brokerage.

c. Also on or about September 9, 2019, WALKER transferred approximately \$6,660 from Checking Account-1 to the IRS.

d. On or about September 10, 2019, WALKER transferred \$840,000 from Checking Account-1 to a checking account controlled by Individual-1.

e. In or about September 2019, Bank-1 restricted Checking Account-1, as well as accounts belonging to Individual-1. Bank-1 ultimately returned approximately \$6,846,082 from these accounts to the IRS. Prior to the return of those funds, WALKER was able to withdraw or spend approximately \$85,000 of the more than \$6 million federal tax refund he had deposited into Checking Account-1.

STATUTORY ALLEGATIONS

10. On or about July 29, 2017, in the Southern District of New York and elsewhere, JAMEEN WALKER, the defendant, did

knowingly make and present to a person and officer in the civil, military, or naval service of the United States, and to a department and agency there, claims upon and against the United States, and a department and agency thereof, knowing such claims to be false, fictitious, and fraudulent, to wit, the defendant submitted to the IRS a false Form 1040 detailing fictitious income and federal tax withholdings in an effort to fraudulently obtain a federal tax refund for tax year 2016.

(Title 18, United States Code, Sections 287 and 2.)

COUNT TWO

(Subscribing to False Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund)

The Grand Jury further charges:

11. The allegations contained in paragraphs 1 through 9 are repeated and realleged as if fully set forth herein.

12. In or about November 2018, in the Southern District of New York and elsewhere, JAMEEN WALKER, the defendant, willfully and knowingly did make and subscribe false and fraudulent United States Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, Form 941-X, for the third quarter of tax year 2018, which return contained and were verified by written declarations that it was made under penalty of perjury, and which return WALKER did not believe to be true and correct as to every material matter, to wit, the Form 941-X detailed fictitious

wages, tips, and other compensation paid by, as well as fictitious federal withholdings made by, Stallings Empire Corporation.

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

COUNT THREE

(Subscribing to False Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund)

The Grand Jury further charges:

13. The allegations contained in paragraphs 1 through 9 are repeated and realleged as if fully set forth herein.

14. In or about December 2018, in the Southern District of New York and elsewhere, JAMEEN WALKER, the defendant, willfully and knowingly did make and subscribe false and fraudulent United States Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, Form 941-X, for the third quarter of tax year 2018, which return contained and was verified by written declarations that it was made under penalty of perjury, and which return WALKER did not believe to be true and correct as to every material matter, to wit, the Form 941-X detailed fictitious wages, tips, and other compensation paid by, as well as fictitious federal withholdings made by, Stallings Empire Corporation.

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

COUNT FOUR

(Subscribing to False Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund)

The Grand Jury further charges:

15. The allegations contained in paragraphs 1 through 9 are repeated and realleged as if fully set forth herein.

16. In or about January 2019, in the Southern District of New York and elsewhere, JAMEEN WALKER, the defendant, willfully and knowingly did make and subscribe false and fraudulent United States Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, Form 941-X, for the third quarter of tax year 2018, which return contained and was verified by written declaration that it was made under penalty of perjury, and which return WALKER did not believe to be true and correct as to every material matter, to wit, the Form 941-X detailed fictitious wages, tips, and other compensation paid by, as well as fictitious federal withholdings made by, Stallings Empire Corporation.

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

COUNT FIVE
(Theft of Government Funds)

The Grand Jury further charges:

17. The allegations contained in paragraphs 1 through 9 are repeated and realleged as if fully set forth herein.

18. From at least in or about November 2018 up to and

including at least in or about September 2019, in the Southern District of New York and elsewhere, JAMEEN WALKER, the defendant, did embezzle, steal, purloin, and knowingly convert to his use and the use of another, and without authority, did sell, convey, and dispose of records, vouchers, money, and things of value of the United States and a department and agency thereof, to wit, the Internal Revenue Service, which exceeded the sum of \$1,000, and did receive, conceal, and retain the same with intent to convert it to his use and gain, knowing it to have been embezzled, stolen, purloined and converted, to wit, WALKER deposited a fraudulently obtained tax refund check into an account at Bank-1 and spent or withdrew approximately \$85,000 of the deposited funds.

(Title 18, United States Code, Sections 641 and 2.)

FORFEITURE ALLEGATION

19. As a result of committing the offense alleged in Count Five of this Indictment, JAMEEN WALKER, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of

proceeds traceable to the commission of said offense.

Substitute Asset Provision

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

(a) cannot be located upon the 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;

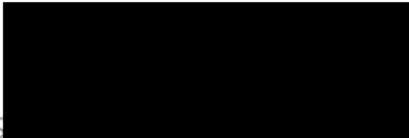
(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c) to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)

FOR


Audrey Strauss
AUDREY STRAUSS *dym*
Acting United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

JAMEEN WALKER,

Defendant.

SEALED INDICTMENT

20 Cr.

(18 U.S.C. §§ 287, 641, and 2;
26 U.S.C. § 7206(1).)

AUDREY STRAUSS
Acting United States Attorney.

 A TRUE BILL

Foreperson.
