



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

Alexandria Division

UNITED STATES OF AMERICA	)	
	)	
v.	)	Criminal No. 1:16CR224
	)	
Dan Horsky,	)	
	)	
Defendant.	)	

**CRIMINAL INFORMATION**

Count 1

(Conspiracy to Defraud the United States and to File a False IRS Form 8854 (Initial and Annual Expatriation Statement))

THE UNITED STATES CHARGES THAT:

**THE CONSPIRACY AND ITS OBJECTS**

1. Beginning in or about 2000 and continuing through in or about 2015, the defendant, Dan Horsky, did unlawfully, knowingly, and intentionally combine, conspire, confederate, and agree with other persons known and unknown to the United States to commit the following offenses against the United States:

(a) to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service ("IRS") of the Treasury Department in the ascertainment, computation, assessment, and collection of revenue in violation of Title 18, United States Code, Section 371; and

(b) to willfully make and subscribe an IRS Form 8854 Initial and Annual Expatriation Statement ("Form 8854"), which was verified by a written declaration that it was made under the penalties of perjury and was filed with the IRS, which Form 8854,

the defendant's co-conspirator ("Individual A") did not believe to be true and correct as to every material matter in that the Form 8854 failed to accurately report: (1) Individual A's net worth on the date of expatriation; and (2) Individual A's ownership of foreign assets, in violation of Title 26, United States Code, Section 7206(1).

#### **NATURE AND PURPOSE OF THE CONSPIRACY**

2. The nature and purpose of the conspiracy was to conceal from the IRS and the Treasury Department the assets and income of defendant Horsky through the use of concealed offshore financial accounts at an international bank (hereinafter referred to as "International Bank"), located in Zurich, Switzerland and other foreign financial institutions. The conspiracy was furthered through the use of nominee offshore entities, controlled by defendant Horsky, to make financial investments through and with the assistance of International Bank, other foreign financial institutions, and foreign intermediaries, which investments were valued at approximately \$200,000,000 (Two Hundred Million dollars) on or about 2013. The conspiracy was also further when defendant Horsky caused Individual A to take nominal control over certain financial accounts at International Bank. In addition, defendant Horsky filed false U.S. Individual Income Tax Returns, Forms 1040, for the tax years 2008 through 2014, on which defendant Horsky willfully failed to disclose his beneficial interest in and control over the foreign financial accounts through which he made his investments and willfully failed to report the income he earned on those investments. The conspiracy was also furthered when defendant Horsky willfully filed false and fraudulent Reports of Foreign Bank and Financial Accounts, Form TDF 90-22.1 and FinCEN Report 114, for the tax years 2012 and 2013 and when Individual A filed a false IRS Form 8854 Initial and Annual Expatriation Statement which failed

to accurately report: (1) Individual A's net worth on the date of expatriation; and (2) Individual A's ownership of foreign assets, in violation of Title 26, United States Code, Section 7206(1).

**OVERT ACTS**

3. In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts, among others, were committed:

a. In or around 2012, Individual A, acting at the suggestion of bankers employed at International Bank, agreed to replace defendant Horsky as a director of several offshore nominee entities and assumed signature authority over financial accounts held in the names of those entities at International Bank. This was done with the purpose of concealing defendant Horsky's beneficial interest in and control of those accounts.

b. In or about 2009 through 2015, defendant Horsky filed false U.S. Individual Income Tax Returns, Forms 1040, for the tax years 2008 through 2014 which willfully failed to disclose defendant Horsky's beneficial interest in and control over several financial accounts maintained at International Bank and also willfully failed to report the income earned therein.

c. Individual A filed a false IRS Form 8854 Initial and Annual Expatriation Statement with the IRS in an effort to further conceal defendant Horsky's beneficial interest in and control of several financial accounts held at International Bank.

(All in violation of Title 18, United States Code, Section 371.)

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General

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