

U.S. DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
FILED

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UNITED STATES OF AMERICA,

JON W. SANFILIPPO
CLERK

Plaintiff,

v.

Case No. **11-CR135**
[26 U.S.C. § 7206(1)]
[31 U.S.C. §§ 5314 & 5322]

ARVIND AHUJA,

Defendant.

INDICTMENT

THE GRAND JURY CHARGES:

Introduction

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

1. ARVIND AHUJA, the defendant, was a United States citizen living in Greendale, Wisconsin, and was a board-certified neurosurgeon.

2. United States citizens had an obligation to report to the IRS on the Schedule B of a U.S. Individual Income Tax Return, Form 1040, whether that individual had a financial interest in, or signature authority over, a financial account in a foreign country in a particular year by checking "Yes" or "No" in the appropriate box and identifying the country where the account was maintained. United States citizens had an obligation to report all income earned from foreign financial accounts on the tax return and to pay the taxes due on that income.

3. United States citizens who had a financial interest in, or signature authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during a particular year were required to file with the Department of the Treasury a Report of Foreign Bank and Financial Accounts, Form TD F 90-22.1 (the "FBAR"). An FBAR

identified, among other things, the name of the financial institution at which the account was held, the account number, and the maximum value of the account during the calendar year. The FBAR for the applicable year was due by June 30 of the following year.

4. The Bailiwick of Jersey ("Jersey"), a British Crown dependency located in the Channel Islands off the coast of Normandy, France, was a tax haven, meaning that its institutions and laws, including bank secrecy laws, were intended to conceal financial information from other countries.

5. In or about the early 2000s, the exact date being unknown to the grand jury, AHUJA opened and caused to be opened bank accounts located in India at The Hongkong and Shanghai Banking Corporation Limited, India. ("HSBC India").

6. In or about the early 2000s, the exact date being unknown to the grand jury, AHUJA opened and caused to be opened a "Premier" bank account at HSBC Bank USA in New York, New York ("HSBC USA"), which he used to wire transfer millions of dollars from the United States to his HSBC India accounts.

7. On or about the dates set forth below, AHUJA wire transferred or caused to be wire transferred the following amounts of funds from his HSBC USA account to his HSBC India accounts, with the accompanying descriptions:

Date of Transfer	Amount	Description
November 7, 2005	\$1,000,000	HSBC India's Account XXX-XX417-2
January 31, 2007	\$500,000	HSBC New Delhi India
March 16, 2007	\$500,000	HSBC New Delhi
July 30, 2007	\$400,000	HSBC New Delhi
November 7, 2007	\$500,000	HSBC New Delhi India
February 11, 2008	\$500,000	HSBC Bank, Swift

April 17, 2008	\$500,000	HSBC New Delhi India
June 17, 2008	\$750,000	HSBC India's Account No. XXX-XX417-2

8. During calendar years 2006 through 2009, the approximate high balances in AHUJA's HSBC India accounts were as follows:

Year	High Balance
2006	\$5,343,247
2007	\$8,695,095
2008	\$8,416,363
2009	\$8,733,785

9. During calendar years 2006 through 2009, AHUJA invested the funds in his HSBC India accounts in certificates of deposit, which earned interest income in the following approximate amounts:

Year	Interest Income
2006	\$191,365
2007	\$355,797
2008	\$385,594
2009	\$293,448

COUNTS ONE THROUGH FOUR
(Subscribing to False Individual Tax Returns)

10. The allegations of paragraph 1 through 9 are restated as if fully alleged herein.

11. On or about the filing dates set forth below, in the State and Eastern District of Wisconsin, and elsewhere, the defendant,

ARVIND AHUJA,

did willfully make and subscribe U.S. Individual Income Tax Returns, Forms 1040, for the

calendar years set forth below and filed with the Internal Revenue Service on or about the dates indicated below, which returns contained and were verified by the written declaration of AHUJA that they were made under penalties of perjury, and which returns AHUJA did not believe to be true and correct as to every material matter, in that AHUJA: (a) failed to report on Lines 8a, 9a, and 22 income received by him in one or more bank, securities, and other financial accounts located in India and Jersey, and (b) failed, on Schedule B, Part II, line 7a, to report that he had an interest in, or a signature or other authority over, bank, securities, and other financial accounts located in India and Jersey, whereas, in fact, and as AHUJA well knew and believed, he had received substantial income in one or more financial accounts located in India and Jersey, and had an interest in, or a signature or other authority over, bank, securities, and other financial accounts located in India and Jersey:

Count	Calendar Year	Approximate Date of Filing
One	2006	April 16, 2007
Two	2007	April 15, 2008
Three	2008	April 28, 2009
Four	2009	April 15, 2010

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

COUNTS FIVE THROUGH EIGHT
(Willful Failure to File FBARs)

12. The allegations of paragraphs 1 through 9 are restated as if fully alleged herein.

13. On or before the due dates listed below, in the State and Eastern District of

Wisconsin, and elsewhere, the defendant,

ARVIND AHUJA,

did unlawfully, willfully, and knowingly fail to file with the Commissioner of the Internal Revenue Service, U.S. Department of the Treasury, an FBAR disclosing that he had a financial interest in, and signature and other authority over, a bank, securities, and other financial account in a foreign country, to wit, at least one financial account located in India at HSBC India, which had an aggregate value of more than \$10,000 at any time during the years listed below:


Count	Calendar Year	Due Date of FBAR
Five	2006	June 30, 2007
Six	2007	June 30, 2008
Seven	2008	June 30, 2009
Eight	2009	June 30, 2010

All in violation of Title 31, United States Code, Sections 5314 & 5322; and Title 31 Code of Federal Regulations, Sections 1010.350, 1010.306(c, d) & 1010.840(b) (formerly Title 31 Code of Federal Regulations, Sections 103.24, 103.27(c, d) & 103.59(b)).

A TRUE BILL:


Foreperson

6/28/11
Date


JAMES L. SANTELLE
United States Attorney