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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff,
v.
ISRAEL BIRMAN,
and BEN ZION BIRMAN,
Defendants.

CR No. 18-18-**18CR00404-PA**

I N F O R M A T I O N

[26 U.S.C. § 7206(1): Willfully filing a false tax return]

[31 U.S.C. §§ 5314 and 5322(a), 31 C.F.R. §§ 1010.350, 1010.306(c, d), and 1010.840(b): Willful Failure to File Report of Foreign Bank and Financial Accounts TD F 90-22.1 ("FBAR")]

The United States Attorney charges:

Count One

[26 U.S.C. § 7206(1)]

1. On or about June 6, 2011, within the Central District of California and elsewhere, defendant ISRAEL BIRMAN, a resident of Los Angeles, California, did knowingly and willfully make and subscribe a 2010 federal tax return, Form 1040, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That 2010 federal tax return, which was prepared and signed in the Central District of California and filed with the Internal Revenue Service, stated that Israel and Haya Birman received taxable

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1 interest of \$59 in 2010, whereas, as ISRAEL BIRMAN then and there
2 knew, he earned taxable interest income of \$126,729 on his Bank Leumi
3 Le-Israel bank account in Israel.

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Count Two

[31 U.S.C. §§ 5314 and 5322(a), 31 C.F.R. §§ 1010.350, 1010.306(c, d), and 1010.840(b)]

2. For 2010, citizens and residents of the United States who had a financial interest in, or signature or other authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during the calendar 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 ("FBAR"). For year 2010, that report was due by June 30 of the following calendar year, June 30, 2011. The FBAR requires that the filer identify the financial institution with which the account was held, the type of account, the account number, and the maximum value of the account during the calendar year for which the FBAR is being filed.

3. The FBAR reporting requirement is separate and apart from the obligation of a United States citizen or resident to indicate on a Federal income tax return (Form 1040, Schedule B) whether that individual has an interest in a financial account in a foreign country by checking "Yes" or "No" in the appropriate box. The FBAR is an annual report, filed with the Department of Treasury.

4. During calendar year 2010, defendant BEN ZION BIRMAN ("BIRMAN"), a United States citizen and resident of Los Angeles, California, had an interest in or signature authority over at least three financial accounts at Bank Leumi Le-Israel B.M., a financial institution located in Israel, together having an aggregate value of approximately \$1,162,505, well in excess of the \$10,000 reporting requirement.

1 5. On or about June 30, 2011, within the Central District of
2 California and elsewhere, defendant BIRMAN did knowingly and
3 willfully fail to file an FBAR disclosing that he had a financial
4 interest in, and signature and other authority over, financial
5 accounts in a foreign country, namely, an account held at Bank Leumi
6 Le-Israel B.M. in Israel, an account which had an aggregate value of
7 more than \$10,000 during the year 2010.

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10 NICOLA T. HANNA
 United States Attorney

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