

New England fishermen, many from New Bedford, Fall River charged with tax offenses

"Each Defendant Allegedly Did Not Report at Least \$900,000 in Income."

Federal grand juries in Providence, Rhode Island, and Boston returned separate indictments charging seven commercial fishermen with tax evasion and failing to file returns.

According to the indictments, the commercial fishermen each worked for fishing companies operating primarily out of New Bedford, Massachusetts, or Point Judith, Rhode Island, and received substantial compensation. The companies allegedly paid the fishermen as independent contractors and documented that income by, among other things, filing Forms 1099 with the IRS that reported the funds paid to the fishermen. It is alleged that notwithstanding the receipt of this income, each fisherman did not file individual tax returns or pay all the taxes owed on that income – for some defendants, they allegedly failed to file and/or pay taxes for a decade or more. To conceal the source and disposition of their income, the fishermen allegedly cashed paychecks and then used the cash to fund their lifestyles. One of the defendants allegedly also used the name and Social Security number of another individual to conduct business as a further effort to hide income. In some instances, the fishermen allegedly filed false tax returns for certain years by either not reporting their fishing income or by reporting false business expense deductions to reduce the amount of taxes they owed. Each allegedly evaded tax on between \$900,000 and \$1.9 million in income.

The seven fishermen indicted are:

- **Jorge Cazarin** of New Bedford, Massachusetts, was charged with five counts of tax evasion and five counts of willful failure to file tax returns for 2016 through 2020.
- **Christopher Garraty** of Newport and East Greenwich, Rhode Island, was charged with three counts of tax evasion and three counts of willful failure to file for 2016 through 2018, and a fourth count of tax evasion related to taxes he allegedly owed for 2007 through 2011.
- **Wojciech Kaminski** of West Warwick, Rhode Island, was charged with five counts of tax evasion for 2014 and 2016 through 2019 and four counts of willful failure to file tax returns for 2016 through 2019.
- **Brian Kobus of Durham, Connecticut**, was charged with five counts of tax evasion for 2017 through 2021.
- **Rodolfo Membreno** of Fall River, Massachusetts, was charged with six counts of tax evasion for 2012 and 2017 through 2021 and four counts of willful failure to file tax returns for 2017 through 2019 and 2021.
- **John Doe** of New Bedford, Massachusetts, was charged with six counts of tax evasion for 2016 through 2021 and three counts of willful failure to file tax returns for 2016 through 2018.
- **Miguel Cruz Rubio** of New Bedford, Massachusetts, and Elizabethtown, North Carolina, was charged with four counts of tax evasion for 2016 through 2019.

If convicted, each defendant faces a maximum sentence of five years in prison for each evasion count and one year in prison for each failure to file a tax return charge. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Acting Deputy Assistant Attorney General Stuart M. Goldberg of

the Justice Department's Tax Division thanked U.S. Attorney Rachael S. Rollins for the District of Massachusetts and U.S. Attorney Zachary A. Cunha for the District of Rhode Island for their help and assistance in the investigation and prosecution of these cases.

IRS-Criminal Investigation is investigating these cases.

Assistant Chief John Kane and Trial Attorneys Samuel Bean, Matthew Cofer, Christina Grimes, and Ezra Spiro of the Justice Department's Tax Division are prosecuting the cases.

An indictment is merely an allegation. All defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law."-Massachusetts Department of Justice.