

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
FORT MYERS DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 23CR35-SPC-KCD

DAVID T. AARON

26 U.S.C. § 7201

INFORMATION

The United States Attorney charges:

Introduction

At times material to this Information:

1. Marlin Construction Group, LLC (“Marlin”) was a subchapter S corporation (“S-Corp.”) with its principal place of business in Fort Myers, Florida. Between at least 2017 and 2020, Marlin was engaged principally in the installation and repair of residential and commercial roofing in the Fort Myers area and elsewhere in the Middle District of Florida.

2. Pursuant to the Internal Revenue Code and associated regulations, S-corps are considered “flow through” entities. Although required to file U.S. Corporate Income Tax Returns, Forms 1120S, S-Corps do not pay taxes in their own right. Instead, S-corps pass on their gains, losses, and other results to their shareholder owners.

3. DNC Holdings LLC (“DNC”) and Samber Contracting LLC (“Samber”), were single-member limited liability corporations, each of which owned

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50% of Marlin. The Defendant, DAVID T. AARON, owned and controlled 100% of DNC. AARON's partner, Russell Ultes, owned and controlled 100% of Samber.

4. Pursuant to the Internal Revenue Code and associated regulations, single-member limited liability corporations are “disregarded entities”—that is, entities that, rather than file their own tax returns with, and pay taxes to, the Internal Revenue Service, are required to have their gains, losses, and other results passed on to the U.S. Individual Income Tax Returns, Forms 1040, of their owners, who are known as “members.”

5. As a result of the ownership structure the defendant DAVID T. AARON and his partner, Russell Ultes, created for Marlin, each effectively owned 50% of Marlin and therefore was required to report 50% of the gains, losses, and other results of Marlin on their respective Forms 1040.

COUNT ONE
Tax Evasion
(26 U.S.C. § 7201)

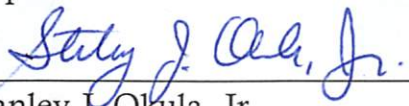
1. The allegations contained in paragraphs 1 through 5 of the Introduction are incorporated by reference herein.

2. From an unknown date, but no later than on or about January 1, 2018, and continuing through in or about October 2020, in the Middle District of Florida and elsewhere, the defendant,

DAVID T. AARON,

did willfully attempt to evade and defeat a substantial portion of the income due and owing by AARON to the IRS for the 2018 and 2019 tax years by various means, including: (a) causing millions of dollars of corporate receipts, in the form of checks payable to Marlin, to be diverted from the corporate bank accounts of Marlin; (b) cashing, and causing the cashing, of those diverted checks at check-cashing businesses located in Lee and Collier Counties; (c) using the cash generated from the check-cashing activities to be used for various personal purposes, including to purchase Jet-Skis and luxury automobiles; (d) making, and causing the making, of entries in the books and records of Marlin that falsely understated the gross receipts and income of Marlin for the 2018 and 2019 tax years; (e) providing false information to Marlin's tax return preparers and thereby causing the preparation of Forms 1120S for Marlin for the 2018 and 2019 tax years that falsely and fraudulently unreported the gross receipts and income of Marlin; (f) causing the filing with the IRS of Forms 1120S for Marlin for the 2018 and 2019 tax years that falsely and fraudulently understated the gross receipts and income of Marlin; (g) signing, and filing with the IRS, Forms 1040 for himself for the 2018 and 2019 tax years that falsely and fraudulently omitted over \$1.5 million of income, leading to the evasion of over \$580,000 of income tax.

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