



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
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CLIFFSIDE PARK RESTAURANT OWNERS PLEAD GUILTY TO FILING FALSE TAX RETURNS

Newark, N.J. –The owners of Villa Amalfi, a restaurant located in Cliffside Park, NJ, pleaded guilty today to filing false tax returns.

Nicola Esposito, 59, a resident of Franklin Lakes, NJ and Giovanni Esposito, 62, a resident of Mahwah, NJ entered their guilty pleas in federal court before Judge Claire C. Cecchi. Nicola Esposito pleaded guilty to a one count information that charges him with subscribing to a false individual tax return for the 2007 calendar year and Giovanni Esposito pleaded guilty to a one count information that charges him with subscribing to a false tax return for the 2006 calendar year. Sentencing for both is scheduled for September 3, 2014.

“Today’s guilty pleas should serve as a reminder to the taxpaying public that IRS-Criminal Investigation is diligent when it comes to enforcing the laws directed at those who attempt to defraud our nation’s tax system,” stated Jonathan D. Larsen, Acting Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “IRS-Criminal Investigation, together with the U.S. Attorney’s office, will investigate and prosecute those who violate our tax system.”

At their plea hearing and according to court documents:

Nicola and Giovanni Esposito owned and operated Villa Amalfi. For the 2007 calendar year, Nicola Esposito signed and filed a false individual income tax return. This return

was false in that Esposito failed to include approximately \$71,032.28 of taxable income that he received from Villa Amalfi.

For sentencing purposes, Nicola Esposito's relevant conduct will be taken into account by the court relating to his failure to properly report all of the income he received from Villa Amalfi on his 2005, 2006 and 2008 individual income tax returns. Esposito's failure to report this additional income as well as the additional income for the 2007 calendar year resulted in a tax loss to the government of approximately \$63,270. In addition, Nicola Esposito's relevant conduct will be taken into account by the court relating to his failure to properly report cash payroll from Villa Amalfi for the years 2005 through 2008. This unreported cash payroll resulted in a tax loss to the government of approximately \$103,697.20. In total, Nicola Esposito's criminal conduct resulted in a total tax loss to the government of approximately \$166,967.20.

For the 2006 calendar year, Giovanni Esposito signed and filed a false individual income tax return. This return was false in that Esposito failed to include approximately \$127,018 of taxable income that he received from Villa Amalfi.

For sentencing purposes, Giovanni Esposito's relevant conduct will be taken into account by the court relating to his failure to report all of the income he received from Villa Amalfi on his 2005, 2007 and 2008 individual income tax returns. Esposito's failure to report all of his income for 2005 through 2008 resulted in a tax loss to the government of approximately \$116,534.

The charge of subscribing to a fraudulent tax return carries a statutory maximum prison sentence of three years and a statutory maximum fine equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense.

The investigation was conducted by IRS-Criminal Investigation, Newark Field Office, under the direction of Acting Special Agent in Charge Jonathan D. Larsen and the U.S. Attorney's Office, under the direction of U.S. Attorney Paul J. Fishman.

The government is represented by Assistant U.S. Attorney David Eskew.

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Defense counsel: Nicola Esposito: Alain Liebman, Esq.
Giovanni Esposito: Edward Dauber, Esq.