



# PRESS RELEASE

Internal Revenue Service - Criminal Investigation  
Newark Field Office  
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## **BERNARDSVILLE CATERER PLEADS GUILTY TO TAX EVASION**

**Newark, N.J.** –The owner of Monterey Gourmet Shops, located in Bernardsville, New Jersey, pleaded guilty today to personal income tax evasion.

William Garcia, 74, a resident of Martinsville, N.J., entered his plea before U.S. District Judge Katharine S. Hayden. Garcia pleaded guilty to one count of a four-count information that charges him with income tax evasion. Sentencing is scheduled for February 18, 2016.

“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, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “The prosecution of individuals who intentionally conceal income and evade taxes is a vital element of the IRS’ enforcement strategy.”

According to court documents and statements made in court:

Garcia was the owner of Monterey Gourmet Shops, a deli/catering business located in Bernardsville, N.J. During the years 2009 through 2012, Garcia diverted cash receipts and customer checks from Monterey Gourmet Shops by depositing the cash and checks into either his personal bank or a bank account maintained by his wife. Garcia used the diverted funds to pay for personal expenses, including a vacation club membership in the Dominican Republic. In addition, Garcia used a Monterey Gourmet Shops business credit card to pay for personal expenses and then used business receipts to pay those personal expenses

Garcia admitted that for the 2010 tax year, he failed to report as income approximately \$324,878. This unreported income resulted in an approximate tax loss to the government of \$93,253. Garcia also admitted that for the tax years 2009, 2011 and 2012, he failed to report as income approximately \$642,708. This unreported income resulted in an approximate tax loss to the government of \$97,089. In total, Garcia failed to report as income approximately \$967,586, upon which there was an additional tax due and owing of approximately \$190,342.

The charge of tax evasion carries a statutory maximum prison sentence of five 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 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 Margaret Ann Mahoney.

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Defense counsel: Richard Sapinski, Esq., Newark  
Lawrence Horn, Esq., Newark