



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Newark Field Office
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OCEAN AND MONMOUTH COUNTY RESTAURANT OWNER PLEADS GUILTY TO TAX EVASION

Trenton, N.J. – The owner of two New Jersey restaurants, Nick’s Horizon Diner Corporation located in Manahawkin and Mariner’s Cove LLC located in Brielle, pleaded guilty today to income tax evasion.

Nikolaos Psaros, 55, a resident of Palisades Park, N.J., entered his plea in Trenton federal court before U. S. District Judge Michael A. Shipp. Psaros pleaded guilty to one count of personal tax evasion pertaining to his 2010 tax return. Sentencing is scheduled for September 1, 2016.

According to court documents and statements made in court::

Psaros owned and operated Nick’s Horizon Diner Corporation (Horizon Diner) and Mariner’s Cove LLC (Mariner’s Cove). Psaros was the sole owner of Horizon Diner and ninety-nine percent owner of Mariner’s Cove with the other one percent owned by his wife.

During the year 2010, Psaros failed to deposit all of the revenue generated from Horizon Diner and Mariner's Cove into the business and payroll bank accounts, and instead, diverted substantial amounts of the revenue into his own personal bank account. Psaros also used the gross cash receipts from Horizon Diner and Mariner's Cove to fund a cash payroll and other expenses.

Psaros hired an accountant to prepare his 2010 joint federal income tax return. Psaros only reported as income to the accountant the money he deposited into the business

and payroll accounts. Psaros did not tell the accountant about the money he diverted into his own personal account or the money he diverted to fund cash payrolls for both businesses, as well as other expenses.

In addition, Psaros failed to properly report all of the income he earned in 2009 on his personal income tax return. Psaros also failed to pay over payroll taxes and failed to file true and accurate Forms 941 for Mariner's Cove and Horizon Diner for the years 2008, 2009, 2010 and 2012. For sentencing purposes, Psaros's relevant conduct will be taken into account by the court relating to his failure to report all of the income he received in 2009 as well as 2010. The court will also take into account the payroll taxes he failed to pay over for the years 2008, 2009, 2010 and 2012. In total, the tax loss to the government is approximately \$480,474.91.

The count 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 Molly S. Lorber.

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Defense Counsel: Michael S. Weinstein, Esq.