



# PRESS RELEASE

Internal Revenue Service - Criminal Investigation  
Newark Field Office  
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## **ESSEX COUNTY BUSINESS OWNER ADMITS FILING FALSE BUSINESS TAX RETURNS**

**Newark, N.J.** – A West Caldwell, New Jersey business owner pleaded guilty today to filing a fraudulent quarterly employment tax return with the Internal Revenue Service.

Nick Petrovski, 54, entered his plea in Newark federal court before U. S. District Judge Madeline Cox Arleo. Petrovski pleaded guilty to one count of subscribing to a false tax return. Sentencing is scheduled for January 11, 2017.

“Business owners have a responsibility to withhold income taxes from their employees and then remit those taxes to the Internal Revenue Service,” stated Jonathan D. Larsen, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “Mr. Petrovski chose to file fraudulent quarterly employment tax returns and not withhold the proper amount of taxes from his employees. He is now a convicted felon who faces a possible prison term at his sentencing.”

According to court documents and statements made in court:

Petrovski was the owner and operator of Superior Abatement, an asbestos removal company located in West Caldwell, New Jersey. As the owner and operator of the business, Petrovski was responsible for collecting, accounting for and paying over to the Internal Revenue Service the employment taxes for Superior Abatement. Petrovski was also responsible for making and filing the quarterly Forms 941, Employer’s Quarterly Federal Tax Returns, with the Internal Revenue Service.

During the years 2008 through 2014, Petrovski issued checks from Superior Abatement’s bank account to certain employees of the business. Petrovski then

instructed these employees to cash the checks and use the cash to pay other employees and/or return the cash to him. Petrovski also used a portion of the cash to pay employees but failed to withhold, account for and pay over payroll taxes for this unreported compensation to his employees.

Petrovski admitted that for the quarter ending June 30, 2012, he caused to be signed and filed a fraudulent Form 941 with the Internal Revenue Service. This return was fraudulent in that Petrovski failed to report approximately \$731,055 in compensation to his employees which resulted in a tax loss to the government of approximately \$279,994. In addition, Petrovski admitted that he filed fraudulent quarterly employment tax returns for the years 2009 through 2014.

The count of subscribing to a false 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 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 Jonathan Peck.

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Defense Counsel: Thomas Cammarata, Esq., Jersey City, New Jersey