

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

UNITED STATES OF AMERICA,

Plaintiff,

v.

BRUCE KEVIN FLEMING,

Defendant.

Criminal Action No. 19-

122-UNA

REDACTED

FILED

INDICTMENT

NOV 5 2019

The Grand Jury for the District of Delaware charges that:

U.S. DISTRICT COURT DISTRICT OF DELAWARE

Count 1

During the calendar year 2012, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing these foregoing facts and failing to make an income tax return on or before April 15, 2013, as required by law, to any proper officer of the Internal Revenue Service, and to pay income tax to the Internal Revenue Service, the defendant, from on or about January 1, 2012, through on or about December 11, 2017, in the District of Delaware, and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2012, by committing the following affirmative acts, among others:

(a) From on or about January 1, 2012, through December 31, 2012, the defendant diverted corporate funds of Portfolio Books, Inc. to pay personal expenses; and

(b) On December 11, 2017, in an interview with a special agent of the Internal Revenue Service – Criminal Investigation, when asked about Portfolio Books, Inc., admitted to setting up the

corporation but falsely stated it was not a real entity because it had no employees, assets, or bank accounts.

In violation of Title 26, United States Code, Section 7201.

Count 2

During the calendar year 2013, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing these foregoing facts and failing to make an income tax return on or before April 15, 2014, as required by law, to any proper officer of the Internal Revenue Service, and to pay income tax to the Internal Revenue Service, the defendant, from on or about January 1, 2013, through on or about December 11, 2017, in the District of Delaware, and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2013, by committing the following affirmative acts, among others:

(a) From on or about January 1, 2013, through December 31, 2013, the defendant diverted corporate funds of Portfolio Books, Inc. and Kevin Fleming, Inc. to pay personal expenses; and

(b) On December 11, 2017, in an interview with a special agent of the Internal Revenue Service – Criminal Investigation, when asked about Portfolio Books, Inc., admitted to setting up the corporation but falsely stated it was not a real entity because it had no employees, assets, or bank accounts.

In violation of Title 26, United States Code, Section 7201.

Count 3

During the calendar year 2014, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing these foregoing facts and failing to make an income tax return on or before April 15, 2015, as required by law, to any proper officer of the Internal Revenue Service, and

to pay income tax to the Internal Revenue Service, the defendant, from on or about January 1, 2014, through on or about December 11, 2017, in the District of Delaware, and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2014, by committing the following affirmative acts, among others:

(a) From on or about January 1, 2014, through December 31, 2014, the defendant diverted corporate funds of Portfolio Books, Inc. and Kevin Fleming, Inc. to pay personal expenses; and

(b) On December 11, 2017, in an interview with a special agent of the Internal Revenue Service – Criminal Investigation, when asked about Portfolio Books, Inc., admitted to setting up the corporation but falsely stated it was not a real entity because it had no employees, assets, or bank accounts.

In violation of Title 26, United States Code, Section 7201.

Count 4

During the calendar year 2015, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing these foregoing facts and failing to make an income tax return on or before April 15, 2016, as required by law, to any proper officer of the Internal Revenue Service, and to pay income tax to the Internal Revenue Service, the defendant, from on or about January 1, 2015, through on or about December 11, 2017, in the District of Delaware, and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2015, by committing the following affirmative acts, among others:

(a) From on or about January 1, 2015, through December 31, 2015, the defendant diverted corporate funds of Portfolio Books, Inc. and Kevin Fleming, Inc. to pay personal expenses; and

(b) On December 11, 2017, in an interview with a special agent of the Internal Revenue Service – Criminal Investigation, when asked about Portfolio Books, Inc., admitted to setting up the

corporation but falsely stated it was not a real entity because it had no employees, assets, or bank accounts.

In violation of Title 26, United States Code, Section 7201.

Count 5

During the calendar year 2016, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, received taxable income, upon which there was income tax due and owing to the United States of America. Knowing these foregoing facts and failing to make an income tax return on or before April 17, 2017, as required by law, to any proper officer of the Internal Revenue Service, and to pay income tax to the Internal Revenue Service, the defendant, from on or about January 1, 2016, through on or about December 11, 2017, in the District of Delaware, and elsewhere, willfully attempted to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2016, by committing the following affirmative acts, among others:

(a) From on or about January 1, 2016, through December 31, 2016, the defendant diverted corporate funds of Portfolio Books, Inc. and Kevin Fleming, Inc. to pay personal expenses; and

(b) On December 11, 2017, in an interview with a special agent of the Internal Revenue Service – Criminal Investigation, when asked about Portfolio Books, Inc., admitted to setting up the corporation but falsely stated it was not a real entity because it had no employees, assets, or bank accounts.

In violation of Title 26, United States Code, Section 7201.

Count 6

During the calendar year 2013, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, had and received gross income of no less than \$248,348. By reason of such gross income, he was required by law, following the close of the calendar year 2013 and on or before April 15, 2014, to make an income tax return to the Internal Revenue Service Center at Kansas City, Missouri, to a

person assigned to receive returns at the local office or the Internal Revenue Service at Dover, Delaware, or to another internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, he did willfully fail, on or about April 15, 2014, in the District of Delaware and elsewhere, to make an income tax return.

In violation of Title 26, United States Code, Section 7203.

Count 7

During the calendar year 2014, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, had and received gross income of no less than \$279,774. By reason of such gross income, he was required by law, following the close of the calendar year 2014 and on or before April 15, 2015, to make an income tax return to the Internal Revenue Service Center at Kansas City, Missouri, to a person assigned to receive returns at the local office or the Internal Revenue Service at Dover, Delaware, or to another internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, he did willfully fail, on or about April 15, 2015, in the District of Delaware and elsewhere, to make an income tax return.

In violation of Title 26, United States Code, Section 7203.

Count 8

During the calendar year 2015, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, had and received gross income of no less than \$299,639. By reason of such gross income, he was required by law, following the close of the calendar year 2015 and on or before April 15, 2016, to make an income tax return to the Internal Revenue Service Center at Kansas City, Missouri, to a person assigned to receive returns at the local office or the Internal Revenue Service at Dover, Delaware, or to another internal Revenue Service office permitted by the Commissioner of Internal

Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, he did willfully fail, on or about April 15, 2016, in the District of Delaware and elsewhere, to make an income tax return.

In violation of Title 26, United States Code, Section 7203.

Count 9

During the calendar year 2016, Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, had and received gross income of no less than \$248,593. By reason of such gross income, he was required by law, following the close of the calendar year 2016 and on or before April 15, 2017, to make an income tax return to the Internal Revenue Service Center at Kansas City, Missouri, to a person assigned to receive returns at the local office or the Internal Revenue Service at Dover, Delaware, or to another internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, he did willfully fail, on or about April 15, 2017, in the District of Delaware and elsewhere, to make an income tax return.

In violation of Title 26, United States Code, Section 7203.

Counts 10 – 16

Bruce Kevin Fleming, the defendant, a resident of Lewes, Delaware, conducted photo gallery business through a corporation under the name and style of Kevin Fleming, Incorporated, with its principal place of business in Lewes, Delaware. During the quarters listed below, Bruce Kevin Fleming deducted and collected from the total taxable wages of his employees' federal income taxes and Federal Insurance Contributions Act taxes in the sums listed below. On or about the dates listed below, Bruce Kevin Fleming, in the District of Delaware, did willfully fail to truthfully account for and pay over to the Internal Revenue Service said federal income taxes withheld and Federal

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Insurance Contributions Act taxes withheld and due and owing to the United States of America for the following quarters:

Count	Date	Quarter	Tax Owed
10	March 31, 2016	First Quarter 2016	\$1,693
11	June 30, 2016	Second Quarter 2016	\$4,672
12	September 30, 2016	Third Quarter 2016	\$3,789
13	January 31, 2017 DECEMBER 31, 2016	Fourth Quarter 2016	\$1,249
14	March 31, 2017	First Quarter 2017	\$3,348
15	June 30, 2017	Second Quarter 2017	\$4,009
16	September 30, 2017	Third Quarter 2017	\$3,821

In violation of Title 26, United States Code, Section 7202.

A TRUE BILL:

Foreperson

DAVID C. WEISS
United States Attorney

By: 

Edmond Falgowski
Assistant United States Attorney

Dated: 11/5/19