

**Department of Justice**

U.S. Attorney's Office

District of Massachusetts

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FOR IMMEDIATE RELEASE

Friday, August 12, 2022

**Owner of Medford Construction Company Indicted for \$11 Million Tax Offenses and Making False Statement**

**Defendant allegedly lied under oath about fatal workplace accident**

BOSTON – A former Quincy man has been indicted by a federal grand jury in connection with a tax fraud scheme that resulted in a tax loss of approximately \$4.4 million and allegedly making false statements about a fatal workplace accident.

Mauricio Baiense, 55, was indicted on one count of conspiracy to defraud the United States, seven counts of failure to collect and pay over taxes, one count of aiding and assisting in the preparation of a false tax return, and one count of making false statements. Baiense was released on conditions following an initial appearance before U.S. District Court Magistrate Judge Jennifer C. Boal on Aug. 8, 2022

According to the indictment, Baiense owned and operated Contract Framing Builders, Inc. (CFB), a Medford-based construction business. Baiense was responsible for filing CFB's quarterly employment tax returns and collecting and paying over to the IRS payroll taxes withheld from the wages of the company's employees. It is alleged that, from approximately 2013 through 2017, Baiense facilitated having approximately \$11 million worth of checks drawn on CFB's corporate bank account to purported subcontractors, which were in fact nominee entities allegedly controlled by him. Baiense allegedly then cashed or directed others to cash the checks at a check cashing business and used the money to operate an "off-the-books" cash payroll for CFB's employees. It is alleged that Baiense did not report the cash wages to the IRS and did not pay employment taxes on wages paid to employees in cash. Baiense also allegedly assisted in the preparation of at least one fraudulent employment tax return that understated the actual wages paid to CFB's employees.

It is further alleged that Baiense made a false statement to federal investigators when questioned under oath at a U.S. Department of Labor Occupational Safety and Health Administration (OSHA) hearing regarding a fatal workplace accident.

The charge of conspiracy to defraud the United States provides for a sentence of up to five years in prison, up to three years of supervised release and a fine of up to \$250,000. The charges of failure to collect and pay over taxes each provide for a sentence of up to five years in prison, up to three years of supervised release and a fine of up to \$250,000. The charge of aiding and assisting in the preparation of a false tax return provides for a sentence of up to three years in prison, up to one year of supervised release and a fine of up to \$250,000. The charge of making a false statement provides for a sentence of up to five years in prison, up to three years of supervised release and a fine of up to \$250,000. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and statutes which govern the determination of a sentence in a criminal case.

United States Attorney Rachael S. Rollins; Stuart M. Goldberg, Acting Deputy Assistant Attorney General of the Justice Department's Tax Division; Galen Blanton, Regional Administrator of

the Department of Labor OSHA Region 1; Joleen D. Simpson, Special Agent in Charge of the Internal Revenue Service's Criminal Investigations in Boston, and Jonathan Mellone, Special Agent in Charge of the Department of Labor, Office of Inspector General in Boston made the announcement. Assistance in the investigation was also provided by the Department of Homeland Security, OSHA Criminal Investigations Team, Region 1, and the Department of Labor, Office of Inspector General. Assistant U.S. Attorney David Tobin of Rollins' Major Crimes Unit and Trial Attorney Thomas F. Koelbl of the Justice Department's Tax Division are prosecuting the case.

The details contained in the indictment are allegations. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

**Topic(s):**

Tax

**Component(s):**

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