



Department of Justice

**Acting United States Attorney Nathaniel R. Mendell
District of Massachusetts**

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CONTACT: CHRISTINA DiIORIO-STERLING
Phone (617) 748-3356

usama.media@usdoj.gov

 twitter.com/dmanews1

MASSACHUSETTS CONTRACTOR PLEADS GUILTY TO \$1.8 MILLION PAYROLL TAX SCHEME

BOSTON – An Ipswich man who owned and operated numerous Massachusetts businesses pleaded guilty today in connection with charges that he manipulated his payroll to avoid paying taxes.

George Vasiliades, 58, pleaded guilty to 17 counts of failure to collect, account for and pay over federal employment taxes; 17 counts of aiding and assisting the filing of false tax returns; and one count of making a false statement to the Social Security Administration. U.S. District Court Judge Allison D. Burroughs scheduled sentencing for March 24, 2022. Vasiliades was indicted in September 2018.

Vasiliades operated several businesses, including Alpine Property Services, Boston Central Management, Delta Labor Company, Olympic Painting & Roofing and Turnpike General Contracting. Between 2008 and 2013, Vasiliades concealed the true size of his companies' payroll from the Internal Revenue Service (IRS). Among other methods, Vasiliades directed certain employees to create shell corporations and then paid employees through these corporations as if they were independent contractors. Vasiliades also paid some employees, including those who were not U.S. citizens and not authorized to work in the United States, from bank accounts that were not connected to his corporate payroll reporting software and, as a result, would not be reported as wages to the IRS. For one non-citizen employee, Vasiliades paid wages using the name and Social Security number of a U.S. citizen employee. In total, Vasiliades' scheme resulted in more than \$1.8 million in tax losses.

The charges of failure to collect, account for and pay over federal employment taxes and making a false statement to the Social Security Administration each provide for a sentence of up to five years in prison, three years of supervised release and a fine of \$250,000 or twice the gross gain or loss, whichever is greater. The charges of aiding and assisting the filing of false tax returns each provide for a sentence of up to three years in prison, one year of supervised release and a fine of \$250,000 or twice the gross gain or loss, whichever is greater. Sentences are

imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

Acting United States Attorney Nathaniel R. Mendell; Joleen D. Simpson, Special Agent in Charge of the Internal Revenue Service's Criminal Investigations in Boston; Anthony DiPaolo, Chief of Investigations of the Insurance Fraud Bureau of Massachusetts; and Jonathan Mellone, Special Agent in Charge of the New York Region of the U.S. Department of Labor's Office of Inspector General, Office of Criminal Investigations – Labor Racketeering and Fraud, made the announcement today. Assistant U.S. Attorney Christopher J. Markham of Mendell's Securities, Financial & Cyber Fraud Unit is prosecuting the case.

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