

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

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Georgia Man Admits Using Fictitious Businesses For \$530,000 Unemployment Insurance, Tax Fraud Scheme

NEWARK, N.J. – A Georgia man today admitted devising a scheme in which he and others fraudulently collected unemployment benefits and tax refunds by pretending to have worked for several phony companies that he created, U.S. Attorney Craig Carpenito announced.

Lashawn Porcher, 32, of Lawrenceville, Georgia, pleaded guilty before U.S. District Judge Madeline Cox Arleo in Newark federal court to an information charging him with one count of conspiracy to commit mail fraud and one count of aiding and assisting in the filing of a false tax return.

According to documents filed in this case and statements made in court:

Porcher incorporated numerous fictitious businesses in New Jersey, including Computer Tyme Corporation, Cleaning Experience Corporation, Cleaning Time, and The Dream Team, all of which did not conduct any actual business and had no offices, employees, or officers.

From February 2010 through June 2014, Porcher used Computer Tyme Corporation and Cleaning Experience Corporation to seek unemployment insurance benefits for himself and other conspirators based on false claims that they had received compensation as employees of these companies.

To carry out the scheme, Porcher submitted fraudulent wage reports to the N.J. Department of Labor and Workforce Development for himself and others. He also supplied his conspirators with false wage records so that they could submit false claims as well. As a result, Porcher and others were able to fraudulently receive \$436,982 in unemployment benefits.

In addition, Porcher used Cleaning Time and The Dream Team to prepare false federal tax returns for himself and other purported employees of these fictitious companies. Porcher admitted falsifying information on W2 forms concerning their wages in order to obtain inflated tax refunds for tax years 2009 through 2012. As a result, he and other conspirators fraudulently collected approximately \$103,276 in tax refunds.

The mail fraud conspiracy charge carries a maximum potential penalty of 20 years in prison. The filing of a false tax return charge carries a maximum potential penalty of three years in prison. Both charges carry a potential \$250,000 fine, or twice the gross gain or loss from the offense. Sentencing is scheduled for July 11, 2018.

U.S. Attorney Carpenito credited special agents of the U.S. Department of Labor Office of Inspector General, under the direction of Acting Special Agent in Charge Peter Nozka in New York, special agents of IRS – Criminal Investigation, under the direction of Special Agent in Charge Jonathan D. Larsen in Newark, and postal inspectors of the U.S. Postal Inspection Service, under the direction of Acting Inspector in Charge Ruth M. Mendonca with the investigation leading to today's plea.

The government is represented by Assistant U.S. Attorney Jihee G. Suh of the U.S. Attorney's Office Special Prosecution's Division in Newark.

Defense counsel: Leticia M. Olivera Esq., Office of the Federal Public Defender, Newark