



PRESS RELEASE

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OWNER OF CLEANING BUSINESSES INDICTED ON EMPLOYMENT TAX CHARGES

Camden, N.J. –The owner of several commercial cleaning businesses had his initial appearance and arraignment today before U.S. Magistrate Judge Karen M. Williams and entered a plea of not guilty to all the charges.

Previously, on December 18, 2013, Zenon Rotuski, a resident of Medford, N.J., was indicted by a federal grand jury on one count of employment tax evasion and five counts of failing to pay over payroll taxes to the Internal Revenue Service.

“As we approach this year’s tax filing season, this indictment is a reminder that business owners have a responsibility to withhold income taxes for their employees and remit those taxes to the Internal Revenue Service,” stated Shantelle P. Kitchen, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office. “The failure to withhold and pay over employment taxes is a very serious offense that will not be tolerated.”

According to the indictment:

Rotuski owned and operated multiple commercial cleaning and maintenance businesses including Associated Building Management Corp. (ABMC-1), American Building Management Corp. (ABMC-2) and Associated Building Maintenance Cleaning Corp. (ABMC-3). As the owner of these businesses, Rotuski was responsible for collecting, accounting for and paying over payroll taxes for his employees. Rotuski was also responsible for filing with the IRS Form 941, Employer’s Quarterly Federal Tax

Returns, reflecting the employment taxes that his businesses had withheld and paid to the Internal Revenue Service each quarter.

Count 1 of the indictment alleges that between 2004 and 2009, Rotuski attempted to evade employment taxes in the approximate amount of \$311,080.90. It is alleged that Rotuski evaded the payment of employment taxes by ceasing to operate his business under one name and then opening it up under another name. For example, it is alleged that for tax quarters June 2004 through December 2005, Rotuski filed Forms 941 for ABMC-1, but made minimal payments. In November 2005, Rotuski ceased operating as ABMC-1 and began operating as ABMC-2. In an attempt to evade the payment of employment taxes, Rotuski incorporated ABMC-2 and retained the same business structure as ABMC-1. Rotuski failed to incorporate, or pay over to the IRS, the outstanding employment tax liability of ABMC-1.

For the tax quarters December, 2005 through March, 2008, Rotuski filed Forms 941 for ABMC-2 but made minimal payments. In March 2008, Rotuski ceased operating as ABMC-2 and began operating as ABMC-3. Rotuski incorporated ABMC-3 and retained the same business structure as ABMC-1 and ABMC-2. Rotuski failed to incorporate, or pay over to the IRS, the outstanding employment tax liability of ABMC-1 and ABMC-2.

For the tax quarters March, 2008 through March, 2009, Rotuski filed Forms 941 but failed to pay the full amount of tax liabilities reported on those forms.

The indictment also alleges that Rotuski withheld payroll taxes from his employees but failed to pay over withheld taxes of \$120,843.12 to the IRS for the quarters listed below.

Count	Tax Quarter	Employment Tax Liability
2	03/2008	\$9,284.28
3	06/2008	\$26,660.09
4	09/2008	\$30,404.16
5	12/2008	\$26,987.74
6	03/2009	\$27,506.85

If convicted, each count of the indictment carries a statutory maximum prison sentence of five 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 charges and allegations contained in the indictment are merely accusations, and the defendant is considered innocent unless and until proven guilty.

The investigation was conducted by IRS-Criminal Investigation, Newark Field Office, under the direction of Special Agent in Charge Shantelle P. Kitchen 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 Shana Chen.

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