

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED

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CLERK US DISTRICT COURT
WESTERN DISTRICT OF TEXAS

UNITED STATES OF AMERICA

v.

WILLIAM HENRY WOO

Defendant

§ No. A-15-CR-

§

§ Violations:

§

§ 26 U.S.C. § 7206(1)– Filing False Returns;

§

§ 26 U.S.C. § 7212(a)—Interference with the

§ Administration of the Internal Revenue Laws;

§

BY Suo
DEPUTY

A15 CR0210 SS

THE GRAND JURY CHARGES:

Introduction

At all times relevant to this Indictment:

1. Defendant WILLIAM HENRY WOO (“WOO”) was a Canadian citizen who resided in Ontario, Canada.
2. The Internal Revenue Service (“IRS”) was and is an agency of the United States Department of Treasury responsible for administering and enforcing the federal tax laws of the United States.
3. WOO was a nonresident alien whose only known United States income subject to federal taxes is from gambling at casinos in the United States.
4. Per the United States – Canada Tax Convention, and United States statute, U.S. casinos withhold a thirty percent income tax on gross jackpots of \$1,200 or more won by Canadian citizens. The casinos do not withhold taxes on any jackpot won by a Canadian gambler that is less than \$1,200.
5. Each time a \$1,200 or greater jackpot is won by a gambler, the casino personnel prepare a Form 1042-S, Foreign Person’s U.S. Source Income Subject to Withholding, and provide copies to the jackpot winner. The Form 1042-S shows the gross jackpot, amount of federal tax withheld and net income per payout. In addition, the Form 1042-S includes the casino’s information and jackpot winner’s personal identification information.

6. A nonresident alien taxpayer who lives abroad and earned income in the United States may claim a refund of taxes withheld by filing a Nonresident Individual Income Tax Return, IRS Form 1040NR.
7. In 1996, the IRS initiated the Individual Taxpayer Identification Number program to identify resident and nonresident alien taxpayers and efficiently process their individual income tax returns. The number assigned to an individual applicant is referred to as an Individual Taxpayer Identification Number ("ITIN"). The ITIN is a tax processing number issued to foreign nationals who have federal tax reporting or filing requirements with the United States, but who do not have, and are not eligible to obtain, a Social Security Number (SSN) from the Social Security Administration. The ITIN program allows aliens who earned income in the United States and are required to file an income tax return to do so without having a social security number.
8. To obtain an ITIN, individuals must submit a completed Application for an Individual Taxpayer Identification Number, IRS Form W-7, accompanied by required identification documents to the IRS.
9. A Nonresident alien is not authorized to use more than one ITIN per year when filing a Nonresident Individual Income Tax Return, IRS Form 1040NR.

COUNTS 1 - 8

**Making and Subscribing False Returns for Tax Years 2004, 2006 – 2010
[26 U.S.C. § 7206(1)]**

On or about the dates hereinafter set forth, in the Western District of Texas and elsewhere, the defendant, WILLIAM HENRY WOO, did willfully make and subscribe Nonresident Individual Income Tax Returns, Form 1040NR, for the tax years set forth for each count, which were each verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. The tax returns, Form 1040NR, which were filed with the Internal Revenue Service Center, at Austin, Texas, were false and fraudulent in that they inflated and over-reported the

total U.S. federal taxes withheld, whereas, as he then and there knew the actual total U.S. federal tax withholdings were less than reported:

Count	Date Filed	Tax Year	Type of Claim	Fraudulent Amount of Tax Withholdings Claimed	Total Taxes Withheld For Tax Year for all Forms 1040NR
1	1/18/2007	2006	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-2963	\$200,847.00	Tax Year 2006 \$181,221.90
2	5/04/2007	2006	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-1333	\$279,133.00	
3	11/27/2007	2004	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-1333	\$342,722.00	Tax Year 2004 \$0.00
4	1/08/2008	2007	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-2963	\$565,364.00	Tax Year 2007 \$414,612.56
5	4/20/2008	2007	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-1333	\$559,697.00	
6	1/17/2009	2008	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-2963	\$1,183,285.00	Tax Year 2008 \$752,034.87
7	4/17/2010	2009	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-2963	\$1,678,283.00	Tax Year 2009 \$978,247.00
8	1/18/2011	2010	IRS Form 1040NR, Nonresident Individual Income Tax Return with ITIN xxx-xx-2963	\$477,977.00	Tax Year 2010 \$360,282.60

In violation of Title 26, United States Code, Section 7206(1).

COUNT 9
Inference with the Administration of the Internal Revenue Laws
[26 U.S.C. § 7212(a)]

Beginning on or about January 2005 through January 21, 2011, defendant WILLIAM HENRY WOO (“WOO”), in the Western District of Texas and elsewhere, did corruptly obstruct and impede, and endeavor to obstruct and impede, the due administration of Title 26 of the United States Code by filing false and fraudulent Nonresident Individual Income Tax Returns, Form 1040NR, which inflated and over-reported the amount of federal taxes withheld, and claimed tax refunds in an amount totaling approximately \$5,464,000 to which the defendant knew he was not entitled by committing, but not limited to, the following overt acts:

1. WOO submitted an Application for an Individual Taxpayer Identification Number, IRS Form W-7, to the IRS on or about January 23, 2005. The application reflects WOO’s name as “William” (first) “Henry” (middle) “WOO” (last), and an address of 2nd Floor, 741 Gerrard Street East, Toronto, Ontario, Canada M4M 1Y5. The application lists his country of birth as Hong Kong. The IRS issued WOO ITIN xxx-xx-2963.
2. In or about February 2006, WOO submitted a second and separate Application for an Individual Taxpayer Identification Number, IRS Form W-7, to the IRS. The second application reflects WOO’s name as “William” (first), no middle name and his last name as “Henry WOO” (his middle and last name combined). This application shows a different address of Ste. 328, 5863 Leslie Street, Willowdale, Ontario M2H 1J8 Canada. This ITIN application submitted by WOO is marked “No/Do not know” in response to an inquiry whether WOO had previously received a U.S. temporary Taxpayer Identification Number (TIN). Based on his application for a second ITIN, the IRS issued WOO ITIN xxx-xx-1333.

3. Woo filed two Nonresident Individual Income Tax Returns, Form 1040NR, for tax years 2005, 2006, and 2007 with the IRS using ITIN xxx-xx-2963 and ITIN xxx-xx-1333, respectively.
4. On or about January 23, 2006, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2005, using ITIN xxx-xx-2963, to the IRS Service Center in Philadelphia, Pennsylvania. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$98,850 in taxes had been withheld from his winnings when in fact the total amount of federal taxes withheld for tax year 2005 was approximately \$7,499. WOO fraudulently claimed a tax refund of \$96,379.
5. In or about February 2006, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2005, using ITIN xxx-xx-1333, to the IRS Service Center in Philadelphia, Pennsylvania. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$98,850 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2005 was approximately \$7,499. WOO fraudulently claimed a tax refund of \$96,379.
6. On or about January 18, 2007, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2006, using ITIN xxx-xx-2963, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$200,847 in taxes had been withheld from his winnings, when in fact the

total amount of federal taxes withheld for tax year 2006 was approximately \$181,221.

WOO fraudulently claimed a tax refund of \$197,835.

7. On or about May 4, 2007, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2006, using ITIN xxx-xx-1333, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$279,133 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2007 was approximately \$181,221. WOO fraudulently claimed a tax refund of \$277,738.
8. On or about November 27, 2007, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2004, using ITIN xxx-xx-1333, to the IRS Service Center in Austin, Texas. WOO falsely reported that federal taxes were withheld from his gambling winnings in that he claimed on the Form 1040NR that \$342,722 in taxes had been withheld from his winnings, when in fact no federal taxes were withheld by casinos for income reported by WOO on his 2004 Form 1040NR. WOO fraudulently claimed a tax refund of \$342,036.
9. WOO submitted false IRS Forms 1042-S in support of his Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2004, using ITIN xxx-xx-1333.
10. On or about January 8, 2008, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2007, using ITIN xxx-xx-2963, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$565,364 in taxes had been withheld from his winnings, when in fact the

total amount of federal taxes withheld for tax year 2007 was approximately \$414,612.

WOO fraudulently claimed a tax refund of \$562,537.

11. On or about April 20, 2008, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2007, using ITIN xxx-xx-1333, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$559,697 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2007 was approximately \$414,612. WOO fraudulently claimed a tax refund of \$558,857.

12. On or about January 17, 2009, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2008, using ITIN xxx-xx-2963, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$1,183,285 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2008 was approximately \$752,034. WOO fraudulently claimed a tax refund of \$1,181,510.

13. On or about April 17, 2010, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2009, using ITIN xxx-xx-2963, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$1,678,283 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2009 was approximately \$978,247. WOO fraudulently claimed a tax refund of \$1,675,765.

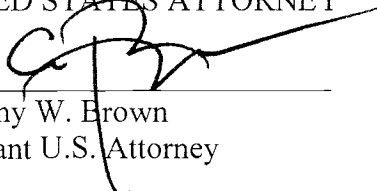
14. On or about January 18, 2011, WOO mailed and caused to be mailed a false Nonresident Individual Income Tax Return, Form 1040NR, for tax year 2010, using ITIN xxx-xx-2963, to the IRS Service Center in Austin, Texas. WOO falsely over-reported the federal taxes withheld from his gambling winnings in that he claimed on the Form 1040NR that \$477,977 in taxes had been withheld from his winnings, when in fact the total amount of federal taxes withheld for tax year 2010 was approximately \$360,282. WOO fraudulently claimed a tax refund of \$475,348.
15. WOO directed the IRS to send U.S. Treasury refund checks to mailing addresses to which the defendant had access or were controlled by the defendant in Canada.

A True Bill:

**SIGNATURE REDACTED PURSUANT
TO E-GOVERNMENT ACT OF 2002**

RICHARD L. DURBIN JR.
UNITED STATES ATTORNEY

By:



Anthony W. Brown
Assistant U.S. Attorney