

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

D-1 TERRY TACKETT,
D-2 KIMBERLY TACKETT,
D-3 JESSICA TACKETT,

Defendants.

Case:5:14-cr-20445
Judge: O'Meara, John Corbett
MJ: Komives, Paul J.
Filed: 07-30-2014 At 11:43 AM
INDI USA V SEALED MATTER (EB)

HON.

VIO: 18 U.S.C. § 371
(Conspiracy to Obstruct Justice)
18 U.S.C. § 1956
(Money Laundering)
18 U.S.C. § 1957
(Unlawful Monetary Transactions)
26 U.S.C. § 7201
(Tax Evasion)
31 U.S.C. § 5324
(Structuring Transactions)

INDICTMENT

THE GRAND JURY CHARGES:

GENERAL ALLEGATIONS

A. Description of the Defendants and the Extortion Victim

1. At all times relevant to this indictment, TERRY TACKETT, defendant herein, was a resident of the Detroit metropolitan area, specifically: Westland and Romulus, Michigan.

2. At all times relevant to this indictment, KIMBERLY TACKETT, defendant herein, was the wife of TERRY TACKETT.

3. JESSICA TACKETT, defendant herein, is the daughter of TERRY TACKETT and KIMBERLY TACKETT, and was born in December 1989.

4. During various times relevant to this indictment, in particular, between approximately 2006 and 2008, the Tackett family was experiencing financial difficulties.

5. During various times relevant to this indictment, in particular, between approximately 2006 and 2008, the exact dates being unknown to the Grand Jury, JESSICA TACKETT was employed at a Detroit, Michigan area "Gentlemen's Club," as topless dancer.

6. JESSICA TACKETT provided income to the Tackett family while employed as a topless dancer.

7. At all times relevant to this indictment, Person A was a wealthy retired business owner.

B. Extortion Scheme

8. On or about a date unknown in 2008, Person A met JESSICA TACKETT, while she was employed as a topless dancer.

9. For a period of months during approximately 2008, the exact dates unknown, Person A and JESSICA TACKETT, defendant herein, were engaged in a

sexual relationship which included commercial sex acts, that is: JESSICA TACKETT was engaged in prostitution.

10. On a date unknown, and during the course of their sexual relationship, Person A was invited to dinner at the home of TERRY TACKETT, KIMBERLY TACKETT and JESSICA TACKETT in Westland, Michigan. At that dinner, Person A was asked by TERRY TACKETT to provide him a loan. On a few occasions thereafter, Person A provided loans to TERRY TACKETT.

11. That in or about the year 2008, the approximate date unknown, JESSICA TACKETT, defendant herein, and one other female relative of JESSICA TACKETT (Person B) engaged in sexual acts with Person A as part of a commercial sex transaction. Person B was born in September 1990.

12. On a date unknown in approximately the fall of 2008, Person A was informed by JESSICA TACKETT, defendant herein, that her father, TERRY TACKETT, defendant herein, had become aware of the sexual relationship between JESSICA TACKETT and Person A and further was aware of the simultaneous sexual encounter between Person A, Person B and JESSICA TACKETT.

13. On a date unknown in approximately the fall of 2008, TERRY TACKETT, defendant herein, informed Person A that he was aware of the sexual relationship between Person A, his daughter JESSICA TACKETT, and Person B.

It was alleged by TERRY TACKETT that Person B was under aged; that is, under the age of 18, and as such, Person A had committed a crime.

14. At all times relevant herein, it was a violation of Michigan criminal law for an adult to have sex with a minor below the age of 18.

15. On a date unknown in approximately the fall of 2008, TERRY TACKETT threatened Person A that if Person A did not pay money to TERRY TACKETT, he would go the police and report said alleged crime.

16. On a date unknown, Person A paid TERRY TACKETT approximately \$30,000.00 in U.S. currency, followed by other cash payments in the weeks ahead.

17. In approximately December 2008, Person A requested written assurances from TERRY TACKETT and his family that they would not report Person A to the police, and further that there would be no more demands for money.

18. In approximately December 2008, Person A was provided with four (4) letters purporting to be from TERRY TACKETT, KIMBERLY TACKETT, JESSICA TACKETT, and Person B which contained threats to report Person A to law enforcement if he did not provided an additional \$30,000.00 cash to JESSICA TACKETT.

19. In approximately December 2008, Person A received two (2) signed contracts with signatures purporting to be from TERRY TACKETT, KIMBERLY

TACKETT, JESSICA TACKETT, and Person B, that there would be no more demands for money, and further that the Tacketts would not sue Person A, or bring criminal charges against Person A.

20. On multiple occasions after December 2008, and continuing up to February 2012, TERRY TACKETT threatened Person A that if Person A did not continue to pay money to TERRY TACKETT, he would go to the police and report said alleged crime, cause physical harm to Person A himself, or have alleged associates of his in the "Mafia" or "Jokers Motorcycle Club" cause physical harm to Person A.

C. Structuring/Money Laundering Scheme

21. During times relevant to this indictment, TERRY TACKETT, defendant herein, received from Person A over approximately \$2,000,000.00 in cashier's checks, which represented the proceeds of the extortion scheme.

22. During times relevant to this indictment, TERRY TACKETT, defendant herein, received from Person A approximately \$640,000 in cash in addition to the cashier's checks, which also represented the proceeds of the extortion scheme.

23. At various times relevant to this indictment, TERRY TACKETT, defendant herein, would negotiate the above described cashier's checks - which

ranged in value from a few thousand dollars to as much as \$90,000.00 – by requesting cash in an amount equal to or less than \$10,000 and using the balance of the funds to purchase a new cashier's check. TERRY TACKETT would repeat the process over a course of days or weeks, obtaining no more than \$10,000 and purchasing a new cashier's check, until he obtained the entire value of the cashier's check in cash.

24. At various times relevant to this indictment, TERRY TACKETT, defendant herein, with the proceeds of the above described extortion scheme, would purchase with cash various assets including but not limited to Harley-Davidson Motorcycles, trucks, classic "muscle cars," and watercraft. In order to conceal the receipt of the above described proceeds, TERRY TACKETT would employ nominees to hold title to the majority of the assets he purchased.

Counts 1 – 47

(31 U.S.C. §5324(a)(3) – Structuring Transactions to
Evade Reporting Requirements)

D-1 TERRY TACKETT

1. The allegations contained in paragraphs one (1) through twenty four (24) of the General Allegations of this Indictment are incorporated by reference as if fully set forth herein.

2. At all times relevant herein, a Form 4789, Currency Transaction Report ("CTR") was required to be filed by a financial institution with the Internal Revenue Service for each transaction by a customer involving currency in excess of \$10,000, including deposits, withdrawals, exchanges of currency, purchases of cashier's checks, payments, or transfers by, through, or to such person who conducted the transaction and the person for whom the transaction was conducted. CTR reports are required to contain information regarding the identification of the individual withdrawing more than \$10,000 in cash from a financial institution. These regulations also require that multiple transactions be treated as a single transaction if the financial institution has knowledge that they are by, or on behalf of, the same person, and they could have resulted in either currency received or disbursed by the financial institution totaling more than \$10,000 during any one business day.

3. CTRs are often used by law enforcement to uncover a wide variety of illegal activities such as money laundering. Many individuals engaged in such illegal activities are aware of such reporting requirements and take active steps to cause financial institutions to fail to file CTRs, such as, making multiple cash deposits in amounts less than \$10,000 on the same day or on consecutive days. These active steps are often referred to as "structuring." Structuring cash deposits

to avoid triggering the filing of a CTR by a financial institution is prohibited by Title 31, United States Code, Section 5324(a).

4. On or about the following dates, in the Eastern District of Michigan, TERRY TACKETT, defendant herein, did, as part of a pattern of illegal activity involving more than \$100,000.00 in a 12 month period, knowingly and unlawfully for the purpose of evading the reporting requirements of Section 5313(a), United States Code, Title 31, and the regulations promulgated thereunder, structure and assist in structuring transactions with the following domestic financial institutions, as more particularly described below:

Count	Cashier's Check Amount	Date of Transaction	Bank	Currency Obtained
1	\$19,900	7/27/2009	Chase	
		7/28/2009	Chase	\$2,912
		8/22/2009	Chase	\$1,992
		10/27/2009	Chase	\$5,002
		12/4/2009	Chase	\$10,000
2	\$12,200	8/10/2009	Chase	
		8/10/2009	Chase	\$4,192
		8/17/2009	Chase	\$8,000
3	\$17,200	9/8/2009	Chase	
		9/10/2009	Chase	\$7,200
		10/5/2009	Chase	\$10,000

		11/21/2011	BOA	\$10,000
47	\$75,000	11/28/2011	BOA	
		12/21/2011	BOA	\$10,010
		12/22/2011	BOA	\$9,990
		1/4/2012	BOA	\$10,000
		1/9/2012	BOA	\$10,000
		1/10/2012	BOA	\$10,000
		1/11/2012	BOA	\$9,990
		1/13/2012	BOA	\$9,990
		1/18/2012	BOA	\$5,000

All in violation of Title 31, United States Code, Section 5324(a)(3).

COUNTS 48 THROUGH 106

(18 U.S.C. § 1956(a)(1)(B)(i) and 1956(a)(1)(B)(i) (ii)
- Laundering of Monetary Instruments)

D-1 TERRY TACKETT

1. The allegations contained in paragraphs one (1) through twenty four (24) of the General Allegations of this Indictment are incorporated by reference as if fully set forth herein.

2. The allegations contained in Counts One through Forty Seven of this Indictment are incorporated by reference as if fully set forth herein.

3. That on or about the dates listed below, in the Eastern District of

Michigan, Southern Division, TERRY TACKETT, defendant herein, knowing that the property involved represented the proceeds of some form of unlawful activity, as defined in Title 18, United States Code, Section 1956(c)(1), conducted and caused to be conducted financial transactions in the amounts, and at the financial institutions, as further described below, which involved the proceeds of a specified unlawful activity, specifically: Malicious Threats to Extort Money (in violation of the laws of the State of Michigan, Michigan Compiled Laws, Section 750.213) as more particularly described in paragraphs one through twenty four of the General Allegations of this Indictment, which description is incorporated herein by reference, (1) knowing that the transaction was designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of said specified unlawful activity, and (2) to avoid a transaction reporting requirement under Federal law; each such financial transaction being a separate count of this Indictment:

Count	Date of Cashier's Check	Bank	Date of Transaction	Amount
48	7/28/2009	Chase	7/30/2009	\$5,800
49	8/10/2009	Chase	8/10/2009	\$12,200
50	8/15/2009	Chase	8/17/2009	\$5,730
51	8/24/2009	Chase	8/24/2009	\$8,700

99	9/26/2011	BOA	10/3/2011	\$65,000
100	9/28/2011	BOA	10/18/2011	\$75,000
101	10/13/2011	BOA	10/14/2011	\$60,000
102	10/27/2011	BOA	11/1/2011	\$60,000
103	11/4/2011	BOA	11/18/2011	\$20,000
104	11/15/2011	BOA	11/16/2011	\$7,000
105	11/28/2011	BOA	12/21/2011	\$75,000
106	12/16/2011	BOA	12/19/2011	\$15,000

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and (B)(ii).

COUNTS 107 THROUGH 115

(18 U.S.C. § 1957- Engaging in Prohibited Monetary Transactions)

D-1 TERRY TACKETT

1. The allegations contained in paragraphs one (1) through twenty four (24) of the General Allegations of this Indictment are incorporated by reference as if fully set forth herein.

2. The allegations contained in Counts One through Forty Seven of this Indictment are incorporated by reference as if fully set forth herein.

3. The allegations contained in Counts Forty Eight through One Hundred Six of this Indictment are incorporated by reference as if fully set forth herein.

4. That on or about the dates listed below, in the Eastern District of Michigan, Southern Division, TERRY TACKETT, defendant herein, did knowingly engage and attempt to engage in monetary transactions by, through or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is deposit, transfer, or exchange of U.S. currency, and monetary instruments, such property having been derived from a specified unlawful activity, that is, Malicious Threats to Extort Money (in violation of the laws of the State of Michigan, Michigan Compiled Laws, Section 750.213) as more particularly described in paragraphs one through twenty four of the General Allegations of this Indictment, which description is incorporated herein by reference, each such financial transaction being a separate count of this Indictment:

Count	Purchase Date	Description	Amount	Monetary source
107	7/16/2010	(2) 2010 Yamaha PWCs & Trailer	\$20,000	U.S. Currency
108	8/9/2010	2010 Yamaha SX210 with Yamaha Trailer	\$32,700	U.S. Currency
109	9/13/2010	2010 Dodge Ram 1500 Pick-Up	\$35,233	U.S. Currency
110	9/27/2010	2010 Dodge Challenger	\$44,000	U.S. Currency
111	11/5/2010	38447 Wabash, Romulus, MI 48174	\$42,000	Cashier's Check

112	12/8/2010	2004 Chevrolet Tahoe	\$15,077	U.S. Currency
113	1/13/2011	2008 Chrysler 300	\$17,500	U.S. Currency
114	1/14/2011	2007 Ford F-150 Pick-Up	\$20,000	U.S. Currency
115	9/29/2011	2010 Dodge Challenger	\$17,347	U.S. Currency

All in violation of Title 18, United States Code, Sections 1957 and 2.

Count 116

(26 U.S.C. §7201 – Tax Evasion)

D-1 TERRY TACKETT

1. Paragraphs 1 through 24 of the General Allegations are specifically incorporated by reference as if set forth herein.

2. The allegations contained Counts One through One Hundred Fifteen are specifically incorporated by reference as if set forth herein.

3. During the calendar year 2009, TERRY TACKETT, defendant herein, a resident of Romulus, Michigan, had and received income in the sum of \$326,197.00. Upon that taxable income, there was owing to the United States of America an income tax of \$86,047.00. Well knowing the foregoing facts, and failing to make an income tax return on or before April 15, 2010, as required by law, to any proper officer of the Internal Revenue Service, and to pay to the Internal

Revenue Service the income tax, TERRY TACKETT, on or about several dates during calendar year 2009, in the Eastern District of Michigan, did willfully attempt to evade and defeat the income tax due and owing by him to the United States of America for the calendar year by: (1) creating false promissory notes in an attempt to substantiate the funds as loans, directing that another individual put false information on the memo lines of the checks; (2) by negotiating the checks for cash instead of depositing the checks, typically structuring the transactions in order to receive cash in amounts of \$10,000.00 or less; (3) by using cash when purchasing assets and placing the assets in the names of other people; and (4) conspiring with the nominee owners to lie to the Internal Revenue Service in order to prevent the seizure of assets.

All in violation of Title 26, United States Code, Section 7201.

Count 117

(26 U.S.C. §7201 – Tax Evasion)

D-1 TERRY TACKETT

1. Paragraphs 1 through 24 of the General Allegations are specifically incorporated by reference as if set forth herein.
2. The allegations contained Counts One through One Hundred Fifteen are specifically incorporated by reference as if set forth herein.

3. During the calendar year 2010, TERRY TACKETT, defendant herein, a resident of Romulus, Michigan, had and received income in the sum of \$1,010,400.00. Upon that taxable income, there was owing to the United States of America an income tax of \$316,391.00. Well knowing the foregoing facts, and failing to make an income tax return on or before April 15, 2011, as required by law, to any proper officer of the Internal Revenue Service, and to pay to the Internal Revenue Service the income tax, TERRY TACKETT, on or about several dates during calendar year 2010, in the Eastern District of Michigan, did willfully attempt to evade and defeat the income tax due and owing by him to the United States of America for the calendar year by: (1) creating false promissory notes in an attempt to substantiate the funds as loans, directing that another individual put false information on the memo lines of the checks; (2) by negotiating the checks for cash instead of depositing the checks, typically structuring the transactions in order to receive cash in amounts of \$10,000.00 or less; (3) by using cash when purchasing assets and placing the assets in the names of other people; and (4) conspiring with the nominee owners to lie to the Internal Revenue Service in order to prevent the seizure of assets.

All in violation of Title 26, United States Code, Section 7201.