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PRESS RELEASE

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Additional Taxpayer Indicted in Schemes to Corrupt and Defraud District of Columbia's Office of Tax and Revenue

WASHINGTON –Davoud Jafari, 68, of Washington, D.C., was arrested yesterday on a federal indictment for participating in corruption and fraud schemes centered at the District of Columbia's Office of Tax and Revenue announced U.S. Attorney Jessie K. Liu.

Last week, a federal grand jury in the District of Columbia returned an indictment alleging that Jafari, the owner of Zeba, a bar located at 3423 14th Street, N.W., Vincent Slater, 41, of Temple Hills, MD, the former supervisor of OTR's Compliance Administration Adjustment Unit, and Anthony Merritt, 44, of Washington, D.C., a former employee of the District of Columbia Department of Consumer and Regulatory Affairs (DCRA), conspired to fraudulently reduce Zeba's tax liabilities by paying bribes to Slater.

According to the indictment, on a monthly basis between October 2012 and December 2017, Slater used his position at OTR to provide Jafari with documents fraudulently representing that Zeba had filed and paid its monthly sales and use taxes when in fact no taxes had been paid. Slater also intervened when other OTR employees sought to make collection efforts against Jafari's business, and created false tax credits that could be applied against the business's outstanding tax liabilities. Slater relied upon Merritt to communicate with Jafari and to collect bribe payments.

This is the second indictment alleging a bribery scheme centered at OTR involving Slater and Merritt. Slater and Merritt were also arrested and charged with bribery and related offenses involving additional District business owners in May 2019.

Jafari was arraigned before U.S. Magistrate Judge Deborah Robinson of the U.S. District Court for the District of Columbia and was released on personal recognizance. Slater and Merritt are expected to be arraigned at a future court date. The defendants are each charged with one count of conspiracy, in violation of 18 U.S.C. § 371; Slater and Jafari are each charged with one count of bribery, and Merritt is charged with two counts of bribery, in violation of 18 U.S.C. § 201; and all three defendants are charged with three counts of money, property, and honest services wire fraud, in violation of 18 U.S.C. §§ 1343 and 1346. The case is assigned to U.S. District Judge Reggie B. Walton. The next court date has not been set.

The charges in an indictment are merely allegations and every defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt. The statutory maximum penalty for Conspiracy, in violation of 18 U.S.C. § 371, is five years; for Bribery, in violation of 18 U.S.C. § 201, the statutory maximum penalty is 15 years; and for Money, Property, and Honest Services Wire Fraud, in violation of 18 U.S.C. §§ 1343 and 1346, the statutory maximum penalty is 20 years.

These cases are being investigated by the FBI's Washington Field Office and the District of Columbia Office of Inspector General, with the assistance of the District of Columbia Office of the Chief Financial Officer, Office of Integrity and Oversight. Assistant U.S. Attorneys Emily Miller and Molly Gaston of the Fraud and Public Corruption Section are prosecuting the case.

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