

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
26-CR-20120-GAYLES/SHAW-WILDER
CASE NO. _____
18 U.S.C. § 371

UNITED STATES OF AMERICA

vs.

DANIEL JAY MOTHA,

Defendant.



_____/

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At various times material to this Information:

1. Defendant **DANIEL JAY MOTHA** was a resident of Miami-Dade County, Florida, in the Southern District of Florida.

2. Location Ventures was a Miami-based real estate company that purported to invest in the development of single-family homes, condominiums, and mixed-use properties, primarily in the Southern District of Florida. Location Ventures had numerous subsidiaries and affiliated companies (together, the "LV Entities"). The LV Entities paid their payroll through Location Development LLC ("Location Development").

3. **DANIEL JAY MOTHA** was the Chief Financial Officer ("CFO") of Location Ventures from in or around 2017 through in or around August 2022. **MOTHA** was replaced as CFO in August 2022, but maintained knowledge and responsibility over a number of financial decisions, including those concerning payroll taxes and distribution of company funds.

4. Rishi Kapoor was the Chief Executive Officer of Location Ventures from in or

around 2016 through in or around July 2023.

5. Controller 1 served as the controller of Location Ventures from in or around February 2021 through in around January 2024.

6. From in or around 2017 through September 2023, Location Ventures failed to pay to the Internal Revenue Service over \$1.3 million in payroll taxes.

Payroll Taxes

7. The Internal Revenue Service (“IRS”) was an agency of the United States Department of Treasury responsible for administering the federal tax laws of the United States and collecting taxes owed to the United States.

8. The Federal Insurance Contribution Act (“FICA”) required employers to withhold Medicare and Social Security taxes from their employees’ wages. The Internal Revenue Code also required employers to withhold federal income taxes from their employees’ wages. Employers, who held these taxes in trust for the United States, were required to pay them over to the IRS on behalf of their employees. Collectively, these withheld taxes will be referred to as “trust fund taxes.” An individual with the obligation to collect, account for, and pay over withheld trust fund taxes to the government is called a “responsible person.”

9. The FICA also required employers to themselves pay Medicare and Social Security taxes on behalf of their employees.

10. For employers whose annual liability for trust fund taxes was greater than \$1,000, responsible persons were required to report the employment taxes due for the employer on a Form 941, Employer’s Quarterly Federal Tax Return (“Form 941”) on a quarterly basis. The Form 941 was due at the end of the month following the end of each calendar quarter and reported the total

amount of wages and other compensation subject to withholding, the total amount of income tax withheld, the total amount of employment taxes due, and the total tax deposits the employer made with the IRS.

11. **DANIEL JAY MOTHA** and Rishi Kapoor were “responsible persons” for the LV Entities.

**Conspiracy to Defraud the United States
(18 U.S.C. § 371)**

1. The General Allegations section of this Information is re-alleged and incorporated as though fully set forth herein.

2. From in or around 2017, through in or around September 2023, in Miami-Dade, County, in the Southern District of Florida, and elsewhere, the defendant,

DANIEL JAY MOTHA,

did knowingly and willfully combine, conspire, confederate and agree with Rishi Kapoor, and others known and unknown to the United States Attorney, to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the IRS, an agency of the United States, in the ascertainment, computation, assessment and collection of revenue, that is trust fund taxes.

PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for the defendant to defraud the IRS in a scheme to evade federal income and payroll taxes by (a) withholding trust fund taxes from the pay of LV Entities’ employees, which taxes should have been remitted to the IRS; (b) failing to file Forms 941 with the IRS, which Forms 941 would have apprised the IRS of the LV Entities’ trust fund obligations; (c) retaining those trust fund taxes instead of remitting them to the IRS; (d) using

false and fraudulent pretenses, representations, and promises, and making material omissions, to conceal the retention of those trust fund taxes; and (e) using funds that could have been used to satisfy payroll tax liabilities to continue operating the LV Entities and to fund discretionary expenses, including bonuses and profit distributions to defendant and his co-conspirators, among others.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **DANIEL JAY MOTHA** and his co-conspirators sought to accomplish the purpose and object of the conspiracy included, among others, the following:

4. **DANIEL JAY MOTHA**, Rishi Kapoor, and their co-conspirators would cause the LV Entities to withhold payroll taxes from their employees.

5. **DANIEL JAY MOTHA**, Rishi Kapoor, and their co-conspirators would fail to file Forms 941 with the IRS, which Forms would have apprised the IRS of the LV Entities' trust fund tax obligations.

6. **DANIEL JAY MOTHA**, Rishi Kapoor, and their co-conspirators would fail to remit the withheld trust fund taxes to the IRS.

7. **DANIEL JAY MOTHA**, Rishi Kapoor, and their co-conspirators would make false and fraudulent representations and material omissions to investors and lenders to conceal the unlawful retention of withheld trust fund taxes, and would alter the LV Entities' accounting software to make it appear as if trust fund taxes had been paid.

8. **DANIEL JAY MOTHA**, Rishi Kapoor, and their co-conspirators would divert corporate funds that could have been used to satisfy trust fund tax obligations to fund discretionary expenses, including bonuses and profit distributions to **MOTHA**, Rishi Kapoor, and their co-

conspirators, including distributions relating to the sale of two properties developed by the LV Entities, to **MOTHA** and Rishi Kapoor.

OVERT ACTS

In furtherance of the conspiracy and to achieve the purpose and object thereof, at least one of the co-conspirators committed and caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

1. On or about January 8, 2019, **DANIEL JAY MOTHA** forwarded to Rishi Kapoor an email from QuickBooks Online Payroll Support Team advising that \$11,713.98 in payroll taxes were due on January 15, 2019, and stated, “At some point we need to start paying these! Not sure exactly what we owe but it’s probably over 40k[.]”

2. On or about January 8, 2019, Rishi Kapoor responded to **DANIEL JAY MOTHA**, “Understood. Maybe after VV and URBIN are all rolling fee wise?”

3. On or about February 26, 2019, Rishi Kapoor sent **DANIEL JAY MOTHA** an e-mail asking him to “put together a really detailed, professional looking Ops budget for our LV operations,” including, specifically, “Payroll tax,” to be provided to investors.

4. On or about June 9, 2020, with Rishi Kapoor’s knowledge and direction, **DANIEL JAY MOTHA** created a false entry in the LV Entities’ accounting software to make it appear as though Location Development LLC had made a \$225,203.65 payment towards its “payroll liabilities,” when in truth, and as **MOTHA** knew, no such payment had been made.

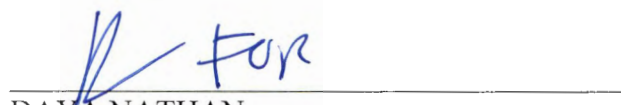
5. On or about April 14, 2021, **DANIEL JAY MOTHA** and Rishi Kapoor decided not to satisfy the LV Entities’ payroll tax liabilities after Controller 1 specifically advised them of those liabilities via an April 14, 2021 e-mail, sent by Controller 1 to **DANIEL JAY MOTHA** and

copying Rishi Kapoor, advising that the LV Entities had payroll tax liabilities in excess of \$600,000 and noting, “We need to discuss and create a plan of attack regarding payment on payroll taxes.”

All in violation of Title 18, United States Code, Section 371.



JASON A. REDING QUIÑONES
UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF FLORIDA



DAYA NATHAN
ASSISTANT UNITED STATES ATTORNEY



ELIZABETH YOUNG
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: DANIEL JAY MOTH

Case No: _____

Count #1:

Conspiracy to Defraud the United States

Title 18, United States Code, Section 371

- * **Max. Term of Imprisonment:** Five (5) Years Imprisonment
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$250,000 or twice the pecuniary gross gain or loss

*Refers only to possible term of incarceration, supervised release and fines. It does not include restitution, special assessments, parole terms, or forfeitures that may be applicable.

AO 455 (Rev. 01/09) Waiver of an Indictment

UNITED STATES DISTRICT COURT
for the
Southern District of Florida

United States of America

v.

Daniel Jay Motha,

Defendant

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Case No. **26-CR-20120-GAYLES/SHAW-WILDER**

WAIVER OF AN INDICTMENT

I understand that I have been accused of one or more offenses punishable by imprisonment for more than one year. I was advised in open court of my rights and the nature of the proposed charges against me.

After receiving this advice, I waive my right to prosecution by indictment and consent to prosecution by information.

Date: _____

Defendant's signature

Signature of defendant's attorney

Eric Rosen
Printed name of defendant's attorney

Judge's signature

Judge's printed name and title