



# Department of Justice

United States Attorney Patrick A. Miles, Jr.  
Western District of Michigan

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## **MUSKEGON-AREA LANDLORD CONVICTED BY JURY OF ARSON, INSURANCE FRAUD, AND TAX FRAUD**

*Gerald Singer "arson for profit scheme" lasted almost twenty years*

GRAND RAPIDS, MICHIGAN — A federal jury convicted Muskegon-area landlord Gerald Singer, 73, of two counts of Arson, three counts of Use of Fire to Commit Mail Fraud (Insurance Fraud), one count of Mail Fraud, four counts of Filing a False Tax-Related Document, and one count of Obstructing Tax Administration after a four-week trial. Singer was acquitted of three other counts of Use of Fire to Commit Mail Fraud. Gerald Singer was immediately taken into custody by the United States Marshal Service pending sentencing on August 21, 2013.

U.S. Attorney Patrick Miles stated, "The United States Attorney's Office and its federal and local law enforcement partners are committed to safeguarding our communities and removing individuals who intentionally destroy property, harm neighborhoods, and prey on the vulnerable, especially when their motivation is profit. Arson under any circumstance is a serious crime that endangers the lives of residents and first-responders who risk their lives searching for victims and suppressing the fire. It also costs neighbors with higher insurance premiums. Gerald Singer caused much damage and now justice caught up with him."

The jury convicted Gerald Singer of arson and use of fire to commit mail fraud at the following properties, which were destroyed by fire:

- June 20, 1999: 1292 E. Broadway, Norton Shores, MI, a commercial building formerly known as "The Fair" fabric store, which was insured by Hartford Insurance and Westport Insurance;
- November 9, 2006: 250 Myrtle St., Muskegon, MI, an investment/rental property which was insured by Foremost Insurance; and
- August 28, 2007: 2608-2614 7th Street, Muskegon Heights, MI, a four-unit apartment complex insured by Farm Bureau General Insurance Company.

The mail fraud charge included those properties as well as fires at six additional properties in Grand Haven, MI; Muskegon Heights, MI; and Gary, IN, and two attempted fires at properties in Muskegon Heights, MI.

The jury also convicted Gerald Singer of filing a false tax-related document in the years 2005, 2006, 2007, and 2008, for failing to disclose to the IRS approximately \$500,000 in insurance proceeds from the fire at 1292 E. Broadway, Norton Shores, MI.

Finally, the jury found Singer guilty of obstructing the administration of the tax laws in the following five ways:

- Causing to be filed false individual income tax returns for tax years 2005 through 2008;
- Making false and misleading statements to IRS officials about his individual income tax returns;
- Misleading his tax preparer by withholding information;
- Concealing income from the IRS by means of “structuring” the payout of insurance funds; and
- Causing the filing of false home buyer tax credit claims against the IRS.

“Arson for Profit is not a victimless crime. Our communities as a whole become the victim because arson destroys property and places an ever increasing economic burden on our communities. ATF is committed to the investigation and prevention of Arson and Arson for Profit schemes.” ATF Acting Special Agent in Charge, Gilbert Salinas stated. “I would like to commend the outstanding work and dedication of the United States Attorney’s Office in Grand Rapids, the Internal Revenue Service, Grand Rapids Office of the ATF, City of Muskegon Police and Fire Departments, City of Muskegon Heights Police and Fire Departments, Norton Shores Police and Fire Departments and the Gary Indiana Police Department”.

Internal Revenue Service Criminal Investigation Assistant Special Agent in Charge, Carolyn Weber, stated, “Gerald Singer lined his pockets with the proceeds of false insurance claims. The IRS will always go after those who seek to profit from illegal activities.”

A conviction for use of fire to commit mail fraud carries a mandatory minimum sentence of 10 years in prison, to be served after any other term of imprisonment. In the case of two or more convictions for using fire to commit mail fraud, the mandatory minimum sentence increases to 20 years. The arson charge carries a sentence of not less than 5 years and up to 20 years in prison. The mail fraud conviction carries a sentence of up to 20 years in prison. The tax counts carry up to 3 years of imprisonment. In addition to prison, Singer also faces the possibility of fines, costs, and restitution to victims. The sentence will be imposed by United States District Judge Gordon Quist after consideration of the applicable statutory factors and the advisory United States Sentencing Guidelines.

This case was prosecuted by Assistant U.S. Attorneys Michael MacDonald and

Christopher O'Connor, and investigated by the Grand Rapids office of the Bureau of Alcohol, Tobacco, Firearms & Explosives; the Internal Revenue Service - Criminal Investigation; and the Muskegon Heights Fire Department.

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