



THE UNITED STATES ATTORNEY'S OFFICE
MIDDLE DISTRICT *of* PENNSYLVANIA

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Department of Justice

U.S. Attorney's Office

Middle District of Pennsylvania

FOR IMMEDIATE RELEASE

Thursday, November 4, 2021

Monroe County Man Charged With \$450,000 In Covid-Relief Fraud

SCRANTON- The United States Attorney's Office for the Middle District of Pennsylvania announced that on November 2, 2021, Julian J. Levons, age 64, of Henryville, Pennsylvania, was charged in an indictment with perpetrating a wire fraud and money laundering scheme to obtain and attempt to obtain approximately \$450,000 in COVID-19 relief guaranteed by the Small Business Administration through the Economic Injury Disaster Loan (EIDL) program.

The EIDL program is designed to help small businesses facing financial difficulties during the COVID-19 pandemic. Funded by the March 2020 CARES Act, EIDL funds are offered in low-interest rate loans, designated for specific business expenses, such as fixed debts, payroll, and business obligation.

According to Acting United States Attorney Bruce D. Brandler, the indictment alleges that Levons obtained two EIDL loans for a combined approximate \$300,000, and attempted unsuccessfully to obtain a third EIDL loan for approximately \$150,000. In applying for the loans, Levons falsified revenue and expense figures for two supposed small businesses that he and his wife owned. The money was allegedly used to pay down a high interest rate line of credit for Levons's personal expenses, and to pay off a high interest rate mortgage on a rental property, despite prohibitions on the use of EIDL funds to refinance pre-existing debt. Investigators seized over \$210,000 in fraudulently obtained EIDL funds from bank accounts under his control. Levons was charged with conspiracies to commit wire fraud and money laundering, five counts of wire fraud, and three counts of illegal monetary transactions.

The case was investigated by the Federal Bureau of Investigation. Assistant U.S. Attorney Phillip J. Caraballo is prosecuting the case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior

enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

Indictments are only allegations. All persons charged are presumed to be innocent unless and until found guilty in court.

A sentence following a finding of guilt is imposed by the Judge after consideration of the applicable federal sentencing statutes and the Federal Sentencing Guidelines.

The maximum penalty under federal law for the most serious offenses are 20 years of imprisonment, a term of supervised release following imprisonment, and a fine. Under the Federal Sentencing Guidelines, the Judge is also required to consider and weigh a number of factors, including the nature, circumstances and seriousness of the offense; the history and characteristics of the defendant; and the need to punish the defendant, protect the public and provide for the defendant's educational, vocational and medical needs. For these reasons, the statutory maximum penalty for the offense is not an accurate indicator of the potential sentence for a specific defendant.

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Topic(s):

Coronavirus

Component(s):

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