

Massachusetts woman sentenced on tax, drug charges from multi-million-dollar black market marijuana enterprise

A Massachusetts woman was sentenced today to four years in prison for tax evasion, conspiracy to distribute and to possess with intent to distribute 50 kilograms or more of marijuana, possession with intent to distribute marijuana, and money laundering.

According to court documents, Deana Martin, of Milton, controlled Northern Herb, a black-market marijuana delivery service that operated in Massachusetts from 2015 to 2018. While Northern Herb purported to sell medical marijuana, it did not require a customer to provide proof of a medical marijuana card. Furthermore, Northern Herb would deliver marijuana to unattended locations, such as a front door or car, where unknown third parties might have access to the package. Northern Herb used locations in Canton, Milton, Foxborough, and Hyde Park to store and distribute marijuana, and employed at least 25 workers.

From May 2016 through July 2018, Northern Herb had total revenue exceeding \$14 million. Northern Herb did not withhold or pay employment taxes. Martin evaded employment taxes that Northern Herb owed by operating in cash and using nominee entities to manage Northern Herb's finances. Further, Northern Herb did not file with the IRS required reports documenting the payments made to Northern Herb's employees and independent contractors. Martin caused a tax loss of more than \$500,000.

In addition to the term of imprisonment, U.S. District Judge Timothy S. Hillman ordered Martin to serve three years of

supervised release and to pay approximately \$528,146.66 in restitution to the United States.

Acting Deputy Assistant Attorney General Stuart M. Goldberg of the Justice Department's Tax Division and Acting U.S. Attorney Nathaniel R. Mendell for the District of Massachusetts made the announcement.

The Drug Enforcement Administration and IRS Criminal Investigation investigated the case.

Assistant Chief Kathleen M. Barry of the Justice Department's Tax Division and Assistant U.S. Attorneys William Abely and John Mulcahy of the USAO prosecuted the case.