



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Middle District of Florida

FOR IMMEDIATE RELEASE

Friday, October 23, 2020

Dade City Man Charged With COVID Relief Fraud

Tampa, Florida – United States Attorney Maria Chapa Lopez announces the unsealing of a criminal complaint charging Keith William Nicoletta (48, Dade City) with bank fraud and illegal monetary transactions. Nicoletta was arrested earlier this week. If convicted, he faces a maximum penalty of 40 years in federal prison.

According to the [complaint](#), in or about May 2020, Nicoletta fraudulently secured more than \$1.9 million in emergency funds associated with a Paycheck Protection Program (“PPP”) loan.

The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted March 2020. It is designed to provide emergency financial assistance to millions of Americans who are suffering the economic effects resulting from the COVID-19 pandemic. One source of relief provided by the CARES Act is the authorization of up to \$349 billion in potentially forgivable loans to small businesses for job retention and certain other expenses through the PPP. In April 2020, Congress authorized over \$300 billion in additional PPP funding.

The PPP allows qualifying small businesses and other organizations to receive loans with a maturity of two years and an interest rate of one percent. Businesses must use PPP loan proceeds for payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal to be forgiven if the business spends the proceeds on these expenses within a set time-period and uses at least a certain percentage of the loan toward payroll expenses.

Nicoletta's PPP loan application falsely claimed that Nicoletta had a local scrap metal business with 69 employees whose purported monthly payroll expenses exceeded \$760,000—or more than \$9 million annually. In truth, Nicoletta had reported no wages to the State of Florida for any employees for 2019 or 2020.

Once the emergency loan was secured, Nicoletta did not use the PPP funds for qualified expenses. Instead, he immediately laundered the money, transferring it between various accounts at different financial institutions. He also withdrew over \$100,000 in cash. Nicoletta then purchased a 2020 Mercedes for more than \$106,000 and a 2020 special edition Ford F-250 pickup valued at over \$66,000. He also wired approximately \$537,000 to a property management company in south Florida. None of the money was used for payroll.

A complaint is merely a formal charge that a defendant has committed one or more violations of federal criminal law, and every defendant is presumed innocent unless, and until, proven guilty.

This case is being investigated by the Federal Bureau of Investigation and the Internal Revenue Service – Criminal Investigation, Tampa Field Office. It is being prosecuted by Assistant United States Attorney Kristen A. Fiore.

Attachment(s):

[Download Criminal Complaint](#)

Topic(s):

Coronavirus

Disaster Fraud

Financial Fraud

Component(s):

[USAO - Florida, Middle](#)

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