



**OFFICE OF THE DISTRICT ATTORNEY  
COUNTY OF KERN**

CIVIC CENTER JUSTICE BUILDING  
1215 TRUXTUN AVENUE  
BAKERSFIELD, CALIFORNIA 93301  
(661) 868-2340, FAX: (661) 868-2700

**CYNTHIA J. ZIMMER**  
DISTRICT ATTORNEY

**ANDREA S. KOHLER**  
ASSISTANT DISTRICT ATTORNEY

**JOSEPH A. KINZEL**  
ASSISTANT DISTRICT ATTORNEY

February 26, 2020

**MEDIA ADVISORY**

**CONTACT:  
DDA Andi Bridges  
(661) 868-5880**

**FOR IMMEDIATE RELEASE  
Approved by JAK**

**Press Release #20-07**

**Re: Major Fraud Conviction: People v. Gabriel Gallardo BF176611A**

Kern County District Attorney Cynthia Zimmer announced a significant conviction and sentencing in a major fraud case today. On January 15, 2020, Gabriel Moreno Gallardo ('Defendant') entered a plea of no contest to two felony counts involving conspiracy and violating Unemployment Insurance Code provisions regarding payment of collected taxes and was sentenced on February 21, 2020 to one year in the county jail, five years felony probation, and ordered to pay restitution in the amount of \$1,131,764.53. As a condition of his plea, the defendant is not allowed to own or operate any business for the term of his probation.

The defendant owned and operated Gabriel M. Gallardo, FLC from January 1, 1991 to December 31, 2003. As owner and operator of Gabriel M. Gallardo, FLC, Gabriel Gallardo employed individuals to work in agricultural fields, paying his employees in cash or by check. The defendant withheld unemployment and/or disability tax from his employees' gross pay as required by law but to failed to turn over the monies collected from his employees to the state – in effect, keeping the payroll taxes pulled from his employees' paychecks for himself. Gallardo also failed to register with Employment Development Department and failed to report quarterly to EDD, as required by law. Gallardo also failed to file a payroll tax returns and failed to collect, account for, or pay over payroll tax. Gabriel M. Gallardo, FLC operated until approximately December 31, 2003 at which point it owed approximately \$80,000 in unpaid payroll tax liability, interest, and penalties when Gabriel M. Gallardo, FLC went out of business. To avoid payment of the tax liability but in an effort to continue his farming business, the defendant then used his children, ranging in age from 20 to 22 years old, to open additional farming companies, including: West Valley Farming, LLC; South Valley Ag Services; and Kern County Cultivation. With each subsequent company, the amount of defendant's theft continued to rise until he owed the State over \$1 million.

This case was investigated by Clara Ramirez with the Employment Development Department and prosecuted by Deputy District Attorney Andi Bridges.

Advised of the conviction, District Attorney Cynthia Zimmer commented that “This case was made possible by close cooperation with the Employment Development Department. Where evidence of major fraud is uncovered that centers in Kern County, we engage in partnerships with any governmental agency needed to ensure that criminals are held accountable. In this case, we have secured a restitution order of more than one million dollars.”