



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Deborah Hicks

DAYCARE OWNER PLEADS GUILTY TO TAX FRAUD

A Detroit Business owner pleaded guilty today to filing a false tax return, signed under penalty of perjury, announced acting United States Attorney Terrence Berg.

Berg was joined in the announcement by Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation.

Pleading guilty before U.S. District Judge Gerald E. Rosen was Deborah Hicks, 61, of Detroit.

According to court records, in 1996 and 1997, Hicks operated several day care centers known as Children's Palace. During these years Hicks failed to report a substantial amount of her income on her corporate and personal income tax returns. Hicks received checks from parents for the care of their children. Instead of depositing some of the checks into a business bank account, Hicks cashed them at a Detroit party store, intending to hide the income from the IRS. The tax loss to the IRS was more than \$45,000.

Acting U.S. Attorney Berg said, "Our federal tax regime relies upon the honesty of each U.S. tax payer. When false returns are submitted, this office will take appropriate enforcement

action."

"Omitting income or cheating on your taxes is the same as stealing," said Aouate. "We should not expect the honest taxpayer to foot the bill for those who evade paying their fair share in taxes."

Filing a false tax return a maximum sentence of 3 years imprisonment and a \$250,000 fine per count. A sentencing date was set for December 11, at 1:30 p.m.

This case is being prosecuted by Assistant United States Attorney Richard Delonis.