



U.S. Department of Justice

**Stephen J. Murphy
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Eastern District of Michigan**

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For Immediate Release:

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EVENT: Indictment

Defendant: La-Van Hawkins

**DETROIT BUSINESSMAN AND RESTAURATEUR INDICTED
FOR FAILURE TO PAY OVER EMPLOYMENT (PAYROLL) TAXES**

Detroit businessman and restaurateur La-Van Hawkins, 49, was indicted by a federal grand jury in Detroit for failing to pay over Federal withholding and Federal Insurance Contributions Act (F.I.C.A.) taxes, United States Attorney Stephen J. Murphy announced today.

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

The 9-count indictment charges that for all four quarters of 2001, the first, third, and fourth quarters of 2002, and the first two quarters of 2003, Hawkins, who owned and controlled a company by the name of Wolverine Pizza., LLC, which operated approximately 80 Pizza Hut restaurants in the metropolitan Detroit area and surrounding communities and had numerous employees, deducted and collected from the total taxable wages of his employees federal income taxes and Federal Insurance Contributions Act (Social Security and Medicare) taxes, as required by law, but then willfully and in violation of the law failed to pay over the full amount of these taxes to the Internal Revenue Service. According to the indictment, Hawkins failed to pay over approximately 5.3 million dollars in payroll taxes for the nine quarters involved.

United States Attorney Stephen J. Murphy said, “Our federal system of voluntary income tax reporting depends on the honest cooperation and integrity of every citizen and every business owner. Employees whose wages are deducted for payroll tax purposes legitimately expect that those funds will be used for the payment of their taxes, as does the government. Today’s charges allege that Mr. Hawkins kept \$5.3 million in employee payroll taxes. These are only allegations that must be proven in the court of law under the appropriate legal standard of beyond a reasonable doubt.”

SAC Aouate said, “The tax law is very clear – it is the responsibility of each employer to withhold employment taxes from the salaries of their employees and deposit these taxes in full to the Internal Revenue Service. Failure to do so can result in serious consequences.”

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

The case was investigated by special agents of the IRS. The case is being prosecuted by Assistant U.S. Attorney Walter I. Kozar.