



# United States Department of Justice

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## **OWNER OF PALO ALTO CHINESE RESTAURANT SENTENCED FOR FILING FALSE TAX RETURNS**

### *Failed To Report \$625,000 In Gross Receipts*

SAN JOSE – United States Attorney Joseph P. Russoniello and Special Agent in Charge, IRS Criminal Investigation, Scott O'Briant announced that Simon Yuan was sentenced today to four months in prison and four months home confinement followed by one year of supervised release and ordered to pay \$25,424 in restitution for filing false corporate tax returns for his restaurant, Hunan Garden Restaurant, located in Palo Alto, California.

According to court documents, Mr. Yuan, age 50, of Los Altos, California pleaded guilty on June 27, 2007 to three counts of filing false corporate tax returns for Hunan Garden Restaurant. In pleading guilty, Mr. Yuan admitted that from 2001 through 2004, he was the owner and sole shareholder of Hunan Garden Restaurant located in Palo Alto, California. For the fiscal years ending September 30, 2002, September 30, 2003 and September 30, 2004, Mr. Yuan caused Hunan Garden to file false corporate tax returns by failing to report certain cash receipts his restaurant received from its customers. The unreported amount of gross receipts totaled \$625,000.

In June 2005, after search warrants were executed at Mr. Yuan's home and at Hunan Garden Restaurant, Mr. Yuan took steps to cooperate with the government's investigation and to address tax compliance issues.

Cynthia Stier and Thomas Newman are the Assistant U.S. Attorneys who are prosecuting the case with the assistance of Kathy Tat. The prosecution is the result of an investigation lead by Internal Revenue Service, Criminal Investigation Special Agent George Britton.

### **Further Information:**

Case #: CR-00338-JF

A copy of this press release may be found on the U.S. Attorney's Office's website at [www.usdoj.gov/usao/can](http://www.usdoj.gov/usao/can).

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's

website at [www.cand.uscourts.gov](http://www.cand.uscourts.gov).

All press inquiries to the U.S. Attorney's Office should be directed to Joshua Eaton at (415) 436-6958 or by email at [Josh.Eaton@usdoj.gov](mailto:Josh.Eaton@usdoj.gov).

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