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NAIL SALON MANAGER SENTENCED FOR TAX EVASION

Under-Reported \$865,331 in Taxable Income; Owes Over \$330,000 in Taxes

GREENBELT, Maryland - U.S. District Judge Deborah K. Chasanow sentenced Dao Anh Huynh, age 49, of Waldorf, Maryland today to one year and a day in prison, followed by two years of supervised release for tax evasion, announced United States Attorney for the District of Maryland Rod J. Rosenstein. Judge Chasanow also ordered Dao Huynh to make restitution of \$330,274.

According to her plea agreement, Dao Huynh and her husband, Dinh Kim Huynh, age 57, were licensed nail technicians. Dinh Huynh owned New Nails salons in Waldorf and Prince Frederick, Maryland. Dao Huynh managed the Prince Frederick store, and handled the salon's cash, check and credit card transactions, paid the nail technicians their commissions and made the bank deposits. Dao Huynh filed joint tax returns with her husband. On December 11, 2003, the Huynhs' residence and salons were searched, and books and records were recovered for the tax years 1998 to 2001. These records showed that for those tax years, Dinh and Dao Huynh failed to report about \$1,685,865 in gross receipts on their tax returns and approximately \$865,331 in taxable income for the salons, resulting in \$330,274 owed in taxes.

Dinh Huynh previously pled guilty to tax evasion and was sentenced on February 27, 2006 to 18 months in prison, followed by three years of supervised release. Judge Chasanow also ordered Dinh Huynh to make restitution of \$365,662.

United States Attorney Rod J. Rosenstein thanked the Internal Revenue Service - Criminal Investigation for its investigative work in this case. Mr. Rosenstein also praised Assistant United States Attorney Michele Sartori, who is prosecuting the case.

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