



Press Release

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For Immediate Release

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HAWAII BUSINESSMAN SENTENCED TO IMPRISONMENT FOR FILING FALSE TAX RETURNS

HONOLULU, HAWAII - ANDY S. S. YIP, age 59, was sentenced today by United States District Judge David A. Ezra to 66 months in prison for subscribing to false tax returns and related tax offenses. YIP was also ordered to pay restitution to the Internal Revenue Service in the amount of \$1,758,835 and prosecution costs of \$22,522.

Edward H. Kubo, Jr., United States Attorney for the District of Hawaii, said that YIP had pleaded guilty to four charges of filing false tax returns for the years 1995 through 1998, and was convicted by a jury of filing a false tax return for 1999, for failing to disclose his interest in financial accounts in Hong Kong in 1998 and 1999, and a related conspiracy charge. According to evidence introduced during the trial, YIP, a Hawaii resident, ran an "off the books" business which grossed approximately \$4 million in receipts in the form of Japanese yen during the period 1995 to 1998 which he converted to U.S. currency. At the sentencing, YIP's sentence was based on information produced for the court that the tax loss to the United States and the State of Hawaii, was \$1,052,995, consisting of YIP's understatement of \$733,302 in federal taxes and \$319,693 in state taxes.

The case resulted from an investigation by the Internal Revenue Service - Criminal Investigation, and the prosecution was handled by Assistant United States Attorney Leslie E. Osborne, Jr.

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