



U.S. Department of Justice

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**For Immediate Release:
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April 30, 2009

Event: Guilty Plea

Defendant: La-Van Hawkins

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

Detroit businessman and restaurateur La-Van Hawkins, 51, pled guilty today for failing to pay Federal withholding and Federal Insurance Contributions Act (F.I.C.A.) taxes, United States Attorney Terrence Berg announced today.

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

La-Van Hawkins entered the guilty plea in United States District Court before Judge Denise Page Hood.

United States Attorney Terrence Berg 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."

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."

The information presented to the court at the time of the plea established 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.

Under the terms of the plea agreement, Hawkins faces up to 5 years imprisonment and a fine of up to \$250,000. The anticipated sentencing guideline range is 37-46 months of imprisonment.

A sentencing hearing was set by Judge Hood for June 2, 2009 at 4:00 p.m.

The investigation of this case was conducted by the Internal Revenue Service, and prosecuted by Assistant U.S. Attorney Robert Cares.