



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

Date: March 23, 2017

Contact: *CI-HQ-COMMUNICATIONSEducation@ci.irs.gov
IRS – Criminal Investigation

CI Release #: CI-2017-03-23-A

Owners Of Massachusetts Temp Agency Indicted For Failing to Pay Over Employment Taxes And Obstructing IRS

Allegedly Cashed More than \$11 Million in Checks to Pay Workers Under the Table

A federal grand jury sitting in the District of Massachusetts returned an indictment on March 22, which was unsealed today, charging two Massachusetts residents who operated a temporary employment agency with conspiring to defraud the government, failing to pay over employment taxes and obstructing the internal revenue laws, announced Acting Deputy Assistant Attorney General Stuart M. Goldberg of the Justice Department's Tax Division.

According to the indictment, Huong Le and Tien Chau ran an employment agency that provided temporary labor to businesses in Massachusetts and New Hampshire. The agency operated under at least four different names: Central Boston Staffing Services, Metro Boston Staffing Services, General Staffing Inc. and Kim's Staffing Inc. Le and Chau allegedly used family members and other individuals as nominees to conceal their ownership of the business.

The indictment alleges that from 2006 through 2011, Le and Chau conspired to conceal their agency's total number of employees from the Internal Revenue Service (IRS) to lower their employment tax liabilities. Le and Chau allegedly attempted to hide the size of their workforce from the IRS by paying most of their employees cash under the table and causing the filing of false employment tax returns that both underreported the number of their employees and did not report wages paid in cash. Le and Chau allegedly cashed over \$11 million in client checks at a check cashing facility in Worcester and used their staffing agency's site supervisors, office manager and drivers to pay their employees in cash.

The indictment further charges that Le and Chau sought to obstruct an investigation by, among other things, directing an employee, after learning of her interview with special agents, to assist them with shredding the agency's records. Le and Chau also allegedly destroyed and removed computer disks and computers from the business's office.

An indictment is not a finding of guilt. Individuals charged in indictments are presumed innocent until proven guilty beyond a reasonable doubt.

If convicted, Le and Chau face a statutory maximum sentence of five years in prison for the conspiracy and employment tax counts and three years in prison for obstructing the internal revenue laws. They also face a term of supervised release, restitution and monetary penalties.

Acting Deputy Assistant Attorney General Goldberg thanked special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorneys Brittney Campbell and Shawn Noud of the Tax Division, who are prosecuting the case.

###