



DEPARTMENT OF TAXATION

News Release

LINDA LINGLE
GOVERNOR

KURT KAWAFUCHI, DIRECTOR
Phone: (808) 587-1510
Fax: (808) 587-1560

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NO JAIL FOR REFUND SCHEME ORGANIZER

HONOLULU — Judge Derrick Chan denied a request of a deferred acceptance of no contest plea to Icelane J. Kuhiiki (also known as Icelane Afoa) and instead found her guilty of 26 felony counts in a tax refund scheme she began in 2006 for tax years 2005 through 2007.

Kuhiiki was charged with 13 counts of false and fraudulent statements, 10 counts of theft in the second degree and 3 counts of attempted theft in the second degree.

She was placed on probation for five years and ordered to pay restitution in the amount of \$57,291. In lieu of a fine, she must pay the crime victims compensation fund a total of \$2,730, and other court costs. She was not given any jail time, and the judge denied a request by Deputy Attorney General Albert Cook that Kuhiiki be required to perform community service.

Kuhiiki filed 13 false income tax returns for various individuals over a three-year period and received refunds ranging from \$940 to \$11,024. As each year went by, the amounts

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of the refunds increased and if \$57,291 was not enough, she filed three more returns attempting to receive another \$15,959 in false refunds which were not issued.

Filing a false and fraudulent return is a class C felony and carries a fine up to \$100,000 and three years imprisonment or probation. Theft in the second degree and attempted theft in the second degree are also class C felonies that are punishable by a period of imprisonment up to five years and a fine not to exceed \$10,000.

Kuhiiki could have spent many years in prison and hefty fines for the 26 counts which she was charged had she been prosecuted to the full extent of the law. She is the fourth case that the department has prosecuted for claiming false refunds electronically and the third in just over a year.

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For more information contact:
Garret Maeda
Criminal Tax Investigator
Phone: (808) 587-1728
Email: Garrett.M.Maeda@hawaii.gov