



DEPARTMENT OF TAXATION

News Release

LINDA LINGLE
GOVERNOR

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

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REALTOR SENTENCED FOR FELONY IN TAX CASE

HONOLULU — Frank Diaz was sentenced on July 28, 2009 before Circuit Court Judge Derrick Chan for multiple tax violations. He pled guilty to all six counts in his criminal tax case which include one count of filing a false and fraudulent tax return for tax year 2006, three counts of failing to file his annual general excise returns for tax years 2003 through 2005 and two counts of failing to file his 2004 and 2005 individual income tax returns.

Diaz failed to report \$114, 239 he had received in real estate commissions on his 2006 general excise tax return which resulted in an additional \$4,569 in unpaid taxes. He asked for and was granted a deferred acceptance of guilty plea. Judge Chan ordered Diaz to pay restitution in the amount of \$16,843 at the rate of \$500 per month and other court fees of \$380. In addition, the judge also ordered Diaz to pay a fine of \$3,000 for the one felony conviction and \$2,000 per count for the other five charges for a total of \$13,000. He must also remain tax compliant with all state and federal tax laws during his deferral period of five years.

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Filing a false and fraudulent statement is a class C felony punishable by a fine of not more than \$100,000, imprisonment of not more than three years or probation. Failing to file a return is a misdemeanor punishable by a fine up to \$25,000 per violation, one year imprisonment or probation.

For more information contact:
Stephen Hironaka
Criminal Tax Investigator
Phone: (808) 587-1795
Email: Stephen.T.Hironaka@hawaii.gov