



DEPARTMENT OF TAXATION

DAVID Y. IGE
GOVERNOR

LINDA CHU TAKAYAMA
DIRECTOR OF TAXATION

FOR IMMEDIATE RELEASE
April 12, 2019

Oahu Tax Preparation Company Pleads No Contest to Tax Violations

HONOLULU – On April 11, 2019, FMS Hawaii, Inc., a tax preparation service, pleaded no contest in the First Circuit Court to four counts of wilful failure to collect and pay over tax.

On the same date, Teodora Villafuerte, a corporate officer for FMS Hawaii, Inc., pleaded guilty to four counts of wilful failure to file return or supply information.

FMS Hawaii, Inc. was charged on February 13, 2019 by felony complaint with four counts of violating Section 231-36.4, Hawaii Revised Statutes, for wilful failure to pay over withholding taxes for tax years 2011 to 2014. FMS Hawaii, Inc. faces a fine of not more than \$500,000 per count at time of sentencing.

Teodora Villafuerte was charged on February 15, 2019, by complaint with four counts of violating Section 231-35, Hawaii Revised Statutes, for wilful failure to file withholding tax returns for tax years 2011 to 2014. Villafuerte faces imprisonment of not more than one year, or probation and a fine of not more than \$25,000 per count at time of sentencing.

Sentencing is scheduled on August 14, 2019 at 8:30 a.m. at the First Circuit Court.

Villafuerte and FMS Hawaii, Inc. further paid \$20,000 into the Hawaii Crime Victim Compensation Commission fund in lieu of a criminal fine.

###

Media Contact:

Deborah Kwan
Department of Taxation
(808) 587-1540
tax.pio@hawaii.gov
<http://tax.hawaii.gov>