



DEPARTMENT OF TAXATION

News Release

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**AUTO PARTS OWNER & COMPANIES TO PAY FINES FOR
FAILING TO FILE GE TAX RETURNS**

HONOLULU — Auto parts retailers were charged with failing to file their general excise tax returns and were sentenced on September 30, 2009 by District Court Judge Clyde Sumida.

WMR, Inc. (WMR) was charged with Wilful Failure to File its excise tax returns for 2003 through 2005 and Wicked Machine Racing, LLC (WMR LLC) was charged with Wilful Failure to File its 2006 return. Damien Ferreira, who was the president of WMR and a member of WMR LLC, was named in the case as the responsible person who failed to file the returns on behalf of both companies.

Ferreira entered a no contest on behalf of himself and the companies and asked for a deferral of his no contest plea. Judge Sumida denied Ferreira's request for the deferral and placed him on probation for a year. Ferreira was ordered to pay a fine of \$8,000, perform 200 hours of community service and remain tax compliant throughout his period of probation.

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The Defendants were ordered jointly and severally liable for restitution in the amount of \$74,737 (\$30,252 in count 1, \$26,642 in count 2, and \$17,843 in count 3). WMR must also pay a fine of \$9,000. WMR LLC and Ferreira are also jointly and severally liable to pay restitution in the amount of \$4,811 and the company must also pay a fine of \$3,000.

In an earlier case, Revolution Motorsports, LLC and 808 Motoring, LLC were also charged with failing to file its general excise tax returns and the restitution amounts in those cases totaled \$272,589.92.

Willful failure to file a return is a misdemeanor violation that carries a fine up to \$25,000 for individuals and \$100,000 for corporations, a period of incarceration not to exceed one-year or probation.

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