



DEPARTMENT OF TAXATION

**News Release**

**NEIL ABERCROMBIE**  
GOVERNOR

**FRED PABLO**  
DIRECTOR

**For Immediate Release:**  
January 26, 2012

**LOCAL OWNER OF CAR DEALERSHIPS SENTENCED  
FOR TAX VIOLATIONS**

HONOLULU— Rong Zhang, owner of Excellent Auto Center, Inc. and Excellent Motor Group, Inc., was sentenced in Honolulu District Court on January 18, 2012, by the Honorable Judge Leslie A. Hayashi for willfully failing to file Excellent Auto Center, Inc.'s corporate income tax returns and annual general excise tax returns for the years 2003 through 2006. Mr. Zhang was also sentenced for willfully failing to file Excellent Motor Group, Inc.'s corporate income tax return and annual general excise tax return for the year 2006.

Mr. Zhang and his companies entered pleas of guilty and requested a deferral of their guilty pleas. Judge Hayashi granted both Excellent Auto Center, Inc. and Excellent Motor Group, Inc.'s request for a deferral for a period of one year. However, Judge Hayashi denied Mr. Zhang's request for a deferred acceptance of his guilty plea and sentenced him to one year of probation.

The conditions of probation include being tax compliant and remaining arrest and conviction free during the term of the probation. Judge Hayashi ordered Mr. Zhang and Excellent Auto Center, Inc. to pay restitution of \$336,107.30 jointly and severally at a rate of \$5,000 per month for general excise taxes owed to the State of Hawaii for the years 2003 through 2006. Mr. Zhang had already paid \$70,000 for Excellent Auto Center, Inc. and \$9,600 for Excellent Motor Group, Inc. prior to sentencing in order to satisfy terms of a plea agreement. The fines ordered by Judge Hayashi for Mr. Zhang totaled \$10,000. Excellent Auto Center, Inc. and Excellent Motor Group, Inc. were ordered to make a contribution to the state general fund in the aggregate amount of \$10,000.

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

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For more information, contact:  
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