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2020 JUL 27 PM 2:00
Central Criminal
Los Angeles Superior Court

Filed

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 IN AND FOR THE COUNTY OF LOS ANGELES

13 **PEOPLE OF THE STATE OF CALIFORNIA,**

14 Plaintiff,

15 v.

16
17 **THOMAS CHEONGKWAI CHEUNG**
18 (DOB: [REDACTED]),

19 Defendant.

Case No. BA484185

FELONY COMPLAINT

20 The Attorney General of the State of California, through Deputy Attorney General Vikram
21 Mandla, by this complaint, accuses defendant THOMAS CHEUNG of the following crimes:

22
23 **COUNT ONE**

24 **[FALSE SALES TAX RETURN]**

25 On or about January 1, 2015 through October 31, 2015, at and in the County of Los
26 Angeles, State of California, defendant THOMAS CHEUNG, being a person required to make,
27 render, sign or verify a sales tax return for sellers permit number 102-156524, unlawfully filed
28

1 false or fraudulent sales tax returns for the period October 1, 2014 through September 30, 2015,
2 with the intent to defeat or evade the reporting, assessment or payment of a tax liability equal to
3 or greater than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month period,
4 in violation of Revenue and Taxation Code sections 7152(a)/7153.5, a **felony**, in that the
5 defendant, collected but failed to remit sales tax to the California Department of Tax and Fee
6 Administration, to wit: \$91,269.00 collected by Cheung & Chang, Inc.

7
8 **COUNT TWO**

9 **[FALSE SALES TAX RETURN]**

10 For a further and separate cause of action, being a different offense from but connected in
11 its commission as the charges set forth in Count One: On or about January 31, 2016 through
12 October 31, 2016, at and in the County of Los Angeles, State of California, defendant THOMAS
13 CHEUNG, being a person required to make, render, sign or verify a sales tax return for sellers
14 permit number 102-156524, unlawfully filed false or fraudulent sales tax returns for the period
15 October 1, 2015 through September 30, 2016, with the intent to defeat or evade the reporting,
16 assessment or payment of a tax liability equal to or greater than twenty-five thousand dollars
17 (\$25,000), within any 12-consecutive-month period, in violation of Revenue and Taxation Code
18 sections 7152(a)/7153.5, a **felony**, in that the defendant, collected but failed to remit sales tax to
19 the California Department of Tax and Fee Administration, to wit: \$94,616.00 collected by
20 Cheung & Chang, Inc.

21
22 **COUNT THREE**

23 **[FALSE SALES TAX RETURN]**

24 For a further and separate cause of action, being a different offense from but connected in
25 its commission as the charges set forth in Counts One through Two: On or about January 31,
26 2017 through October 31, 2017, at and in the County of Los Angeles, State of California,
27 defendant THOMAS CHEUNG, being a person required to make, render, sign or verify a sales
28 tax return for sellers permit number 102-156524, unlawfully filed false or fraudulent sales tax

1 returns for the period October 1, 2016 through September 30, 2017, with the intent to defeat or
2 evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-five
3 thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue and
4 Taxation Code sections 7152(a)/7153.5, a **felony**, in that the defendant, collected but failed to
5 remit sales tax to the California Department of Tax and Fee Administration, to wit: \$107,279.00
6 collected by Cheung & Chang, Inc.

7
8 **COUNT FOUR**

9 **[FALSE SALES TAX RETURN]**

10 For a further and separate cause of action, being a different offense from but connected in
11 its commission as the charges set forth in Counts One through Three: On or about January 31,
12 2018 through October 31, 2018, at and in the County of Los Angeles, State of California,
13 defendant THOMAS CHEUNG, being a person required to make, render, sign or verify a sales
14 tax return for sellers permit number 102-156524, unlawfully filed false or fraudulent sales tax
15 returns for the period October 1, 2017 through September 30, 2018, with the intent to defeat or
16 evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-five
17 thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue and
18 Taxation Code sections 7152(a)/7153.5, a **felony**, in that the defendant, collected but failed to
19 remit sales tax to the California Department of Tax and Fee Administration, to wit: \$111,701.00
20 collected by Cheung & Chang, Inc.

21
22 **COUNT FIVE**

23 **[FALSE SALES TAX RETURN]**

24 For a further and separate cause of action, being a different offense from but connected in
25 its commission as the charges set forth in Counts One through Four: On or about January 31,
26 2019, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG,
27 being a person required to make, render, sign or verify a sales tax return for sellers permit number
28 102-156524, unlawfully filed false or fraudulent sales tax returns for the period October 31, 2018

1 through December 31, 2018, with the intent to defeat or evade the reporting, assessment or
2 payment of a tax liability equal to or greater than twenty-five thousand dollars (\$25,000), within
3 any 12-consecutive-month period, in violation of Revenue and Taxation Code sections
4 7152(a)/7153.5, a **felony**, in that the defendant, collected but failed to remit sales tax to the
5 California Department of Tax and Fee Administration, to wit: \$27,160.00 collected by Cheung &
6 Chang, Inc.

7
8 **COUNT SIX**

9 **[FALSE INCOME TAX RETURN]**

10 For a further and separate cause of action, being a different offense from but connected in
11 its commission as the charges set forth in Counts One through Five: On or about March 14, 2015,
12 at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG, a
13 person who, within the time required, willfully and with like intent, made, rendered, signed, or
14 verified any false or fraudulent return or statement or supplied any false or fraudulent
15 information, with intent to evade any tax, in violation of Revenue and Taxation Code section
16 19706, a **felony**, to wit: 2014 California Corporation Franchise or Income Tax Return for Cheung
17 & Chang, Inc.

18
19 **COUNT SEVEN**

20 **[FALSE INCOME TAX RETURN]**

21 For a further and separate cause of action, being a different offense from but connected in
22 its commission as the charges set forth in Counts One through Six: On or about October 14,
23 2015, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG,
24 willfully subscribed and filed a false tax return, in violation of Revenue and Taxation Code
25 section 19705(a)(1), a **felony**, to wit: 2014 California Resident Income Tax Return for Thomas
26 Cheung and Charlene Chang.

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1 **COUNT EIGHT**

2 **[FALSE INCOME TAX RETURN]**

3 For a further and separate cause of action, being a different offense from but connected in
4 its commission as the charges set forth in Counts One through Seven: On or about March 11,
5 2016, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG, a
6 person who, within the time required, willfully and with like intent, made, rendered, signed, or
7 verified any false or fraudulent return or statement or supplied any false or fraudulent
8 information, with intent to evade any tax, in violation of Revenue and Taxation Code section
9 19706, a **felony**, to wit: 2015 California Corporation Franchise or Income Tax Return for Cheung
10 & Chang, Inc.

11
12 **COUNT NINE**

13 **[FALSE INCOME TAX RETURN]**

14 For a further and separate cause of action, being a different offense from but connected in its
15 commission as the charges set forth in Counts One through Eight: On or about April 15, 2016, at
16 and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG, willfully
17 subscribed and filed a false tax return, in violation of Revenue and Taxation Code section
18 19705(a)(1), a **felony**, to wit: 2015 California Resident Income Tax Return for Thomas Cheung
19 and Charlene Chang.

20
21 **COUNT TEN**

22 **[FALSE INCOME TAX RETURN]**

23 For a further and separate cause of action, being a different offense from but connected in
24 its commission as the charges set forth in Counts One through Nine: On or about April 15, 2017,
25 at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG,
26 willfully subscribed and filed a false tax return, in violation of Revenue and Taxation Code
27 section 19705(a)(1), a **felony**, to wit: 2016 California Resident Income Tax Return for Thomas
28 Cheung and Charlene Chang.

1 **COUNT ELEVEN**

2 **[FALSE INCOME TAX RETURN]**

3 For a further and separate cause of action, being a different offense from but connected in
4 its commission as the charges set forth in Counts One through Ten: On or about September 6,
5 2017, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG, a
6 person who, within the time required, willfully and with like intent, made, rendered, signed, or
7 verified any false or fraudulent return or statement or supplied any false or fraudulent
8 information, with intent to evade any tax, in violation of Revenue and Taxation Code section
9 19706, a **felony**, to wit: 2016 California Corporation Franchise or Income Tax Return for Cheung
10 & Chang, Inc.

11
12 **COUNT TWELVE**

13 **[FALSE INCOME TAX RETURN]**

14 For a further and separate cause of action, being a different offense from but connected in
15 its commission as the charges set forth in Counts One through Eleven: On or about April 15,
16 2018, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG,
17 willfully subscribed and filed a false tax return, in violation of Revenue and Taxation Code
18 section 19705(a)(1), a **felony**, to wit: 2017 California Resident Income Tax Return for Thomas
19 Cheung and Charlene Chang.

20
21 **COUNT THIRTEEN**

22 **[FALSE INCOME TAX RETURN]**

23 For a further and separate cause of action, being a different offense from but connected in
24 its commission as the charges set forth in Counts One through Twelve: On or about September
25 16, 2018, at and in the County of Los Angeles, State of California, defendant THOMAS
26 CHEUNG, a person who, within the time required, willfully and with like intent, made, rendered,
27 signed, or verified any false or fraudulent return or statement or supplied any false or fraudulent
28 information, with intent to evade any tax, in violation of Revenue and Taxation Code section

1 19706, a **felony**, to wit: 2017 California Corporation Franchise or Income Tax Return for Cheung
2 & Chang, Inc.

3
4 **COUNT FOURTEEN**

5 **[FAILURE TO PAY TAX]**

6 For a further and separate cause of action, being a different offense from but connected in
7 its commission as the charges set forth in Counts One through Fifteen: On or about April 30,
8 2013 through January 31, 2014, at and in the County of Los Angeles, State of California,
9 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
10 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
11 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
12 withheld, for the period January 1, 2013 through December 31, 2013, in violation of
13 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
14 Chang, Inc. and Sam Woo Corp.

15
16 **COUNT FIFTEEN**

17 **[FAILURE TO PAY TAX]**

18 For a further and separate cause of action, being a different offense from but connected in
19 its commission as the charges set forth in Counts One through Fourteen: On or about April 30,
20 2014 through January 31, 2015, at and in the County of Los Angeles, State of California,
21 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
22 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
23 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
24 withheld, for the period January 1, 2014 through December 31, 2014, in violation of
25 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
26 Chang, Inc. and Sam Woo Corp.

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1 **COUNT SIXTEEN**

2 **[FAILURE TO PAY TAX]**

3 For a further and separate cause of action, being a different offense from but connected in
4 its commission as the charges set forth in Counts One through Fifteen: On or about April 30,
5 2015 through January 31, 2016, at and in the County of Los Angeles, State of California,
6 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
7 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
8 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
9 withheld, for the period January 1, 2015 through December 31, 2015, in violation of
10 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
11 Chang, Inc. and Sam Woo Corp.
12

13 **COUNT SEVENTEEN**

14 **[FAILURE TO PAY TAX]**

15 For a further and separate cause of action, being a different offense from but connected in
16 its commission as the charges set forth in Counts One through Sixteen: On or about April 30,
17 2016 through January 31, 2017, at and in the County of Los Angeles, State of California,
18 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
19 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
20 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
21 withheld, for the period January 1, 2016 through December 31, 2016, in violation of
22 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
23 Chang, Inc. and Sam Woo Corp.
24

25 **COUNT EIGHTEEN**

26 **[FAILURE TO PAY TAX]**

27 For a further and separate cause of action, being a different offense from but connected in
28 its commission as the charges set forth in Counts One through Seventeen: On or about April 30,

1 2017 through January 31, 2018, at and in the County of Los Angeles, State of California,
2 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
3 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
4 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
5 withheld, for the period January 1, 2017 through December 31, 2017, in violation of
6 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
7 Chang, Inc. and Sam Woo Corp.

8
9 **COUNT NINETEEN**

10 **[FAILURE TO PAY TAX]**

11 For a further and separate cause of action, being a different offense from but connected in
12 its commission as the charges set forth in Counts One through Eighteen: On or about April 30,
13 2018 through January 31, 2019, at and in the County of Los Angeles, State of California,
14 defendant THOMAS CHEUNG, being a person required to collect, account for, and pay over any
15 tax or amount required to be withheld, for account numbers 009-3310-1 and 317-7175-1, did
16 willfully fail to collect or truthfully account for, and pay over the tax or amount required to be
17 withheld, for the period January 1, 2018 through December 31, 2018, in violation of
18 Unemployment Insurance Code section 2118.5, a **felony**, to wit: Payroll taxes for Cheung &
19 Chang, Inc. and Sam Woo Corp.

20
21 **COUNT TWENTY**

22 **[FAILURE TO PAY TAX]**

23 For a further and separate cause of action, being a different offense from but connected in
24 its commission as the charges set forth in Counts One through Nineteen: On or about April 30,
25 2019, at and in the County of Los Angeles, State of California, defendant THOMAS CHEUNG,
26 being a person required to collect, account for, and pay over any tax or amount required to be
27 withheld, for account numbers 009-3310-1 and 317-7175-1, did willfully fail to collect or
28 truthfully account for, and pay over the tax or amount required to be withheld, for the period

1 January 1, 2019 through March 31, 2019, in violation of Unemployment Insurance Code section
2 2118.5, a **felony**, to wit: Payroll taxes for Cheung & Chang, Inc. and Sam Woo Corp.

3
4 **COUNT TWENTY-ONE**

5 **[WORKERS' COMPENSATION FRAUD]**

6 For a further and separate cause of action, being a different offense from but connected in
7 its commission as the charges set forth in Counts One through Twenty: On or about January 1,
8 2013 through March 31, 2016, at and in the County of Los Angeles, State of California, defendant
9 THOMAS CHEUNG, unlawfully made, or caused to be made a false or fraudulent statement,
10 orally or in writing, of a fact material to the determination of the premium, rate, or cost of any
11 policy of workers' compensation insurance, for the purpose of reducing the premium, rate or cost
12 of the insurance, in violation of Insurance Code section 11760(a), a **felony**, to wit:
13 Underreporting of payroll to Employers Compensation Insurance Company.

14
15 **COUNT TWENTY-TWO**

16 **[WORKERS' COMPENSATION FRAUD]**

17 For a further and separate cause of action, being a different offense from but connected in
18 its commission as the charges set forth in Counts One through Twenty-One: On or about April 1,
19 2016 through March 31, 2017, at and in the County of Los Angeles, State of California, defendant
20 THOMAS CHEUNG, unlawfully made, or caused to be made a false or fraudulent statement,
21 orally or in writing, of a fact material to the determination of the premium, rate, or cost of any
22 policy of workers' compensation insurance, for the purpose of reducing the premium, rate or cost
23 of the insurance, in violation of Insurance Code section 11760(a), a **felony**, to wit:
24 Underreporting of payroll to Security National Insurance Company.

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1 **COUNT TWENTY-THREE**

2 **[WORKERS' COMPENSATION FRAUD]**

3 For a further and separate cause of action, being a different offense from but connected in
4 its commission as the charges set forth in Counts One through Twenty-Two: On or about April 1,
5 2017 through March 31, 2018, at and in the County of Los Angeles, State of California, defendant
6 THOMAS CHEUNG, unlawfully made, or caused to be made a false or fraudulent statement,
7 orally or in writing, of a fact material to the determination of the premium, rate, or cost of any
8 policy of workers' compensation insurance, for the purpose of reducing the premium, rate or cost
9 of the insurance, in violation of Insurance Code section 11760(a), a **felony**, to wit:
10 Underreporting of payroll to Insurance Company of the West.
11

12 **COUNT TWENTY-FOUR**

13 **[WORKERS' COMPENSATION FRAUD]**

14 For a further and separate cause of action, being a different offense from but connected in
15 its commission as the charges set forth in Counts One through Twenty-Three: On or about April
16 1, 2018 through March 31, 2019, at and in the County of Los Angeles, State of California,
17 defendant THOMAS CHEUNG, unlawfully made, or caused to be made a false or fraudulent
18 statement, orally or in writing, of a fact material to the determination of the premium, rate, or cost
19 of any policy of workers' compensation insurance, for the purpose of reducing the premium, rate
20 or cost of the insurance, in violation of Insurance Code section 11760(a), a **felony**, to wit:
21 Underreporting of payroll to Hartford Insurance Company of the Midwest.

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DECLARATION

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: 9/24/2020

XAVIER BECERRA
Attorney General of the State of California

By: 
VIKRAM MANDLA
Deputy Attorney General
Attorneys for People of the State of California

1 **NOTICE TO DEFENDANT AND ATTORNEY**

2 Pursuant to Penal Code section 1054(b), the People of the State of California hereby
3 informally request that defense counsel provide discovery to the People as required by Penal
4 Code section 1054.3.

5
6 **NOTICE TO ATTORNEY**

7 Any materials accompanying this complaint or provided by the People in this case may
8 contain information about witnesses. Such information is subject to Penal Code section 1054.2,
9 which provides, "No attorney may disclose or permit to be disclosed to a defendant the address or
10 telephone number of a victim or witness whose name is disclosed to the attorney pursuant to
11 subdivision (a) of Section 1054.1 unless specifically permitted to do so by the court after a
12 hearing and a showing of good cause."

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AGENCY:

I/O:

PHONE NO:

CA Department of Tax and Fee
CA Franchise Tax Board
CA Employment Development Dept.
CA Department of Insurance

Investigator David Padilla
Special Agent Barbara Wynn
Investigator Amelia Fong
Detective Nick Kumkom



DR NO:

OPERATOR:

PRELIM TIME EST:

3-4 days

DEFENDANT

CII No.

DOB

**BOOKING
NUMBER**

**BAIL
RECOM'D**

**CUSTODY
RET DATE**

THOMAS CHEUNG

1 **ORDER HOLDING TO ANSWER – P.C. SECTION 872**

2 It appearing to me from the evidence presented that the following offense(s) has/have
3 been committed and that there is sufficient cause to believe that the following defendant(s) guilty
4 thereof, to wit:

5 *(Strike out or add as applicable)*

6 **THOMAS CHEUNG**

7	<u>Ct.</u>	<u>Charge</u>	<u>Charge Range</u>
8	1	R&TC 7152(a)/7153.5	16-2-3
9	2	R&TC 7152(a)/7153.5	16-2-3
10	3	R&TC 7152(a)/7153.5	16-2-3
11	4	R&TC 7152(a)/7153.5	16-2-3
12	5	R&TC 7152(a)/7153.5	16-2-3
13	6	R&TC 19706	16-2-3
14	7	R&TC 19705(a)(1)	16-2-3
15	8	R&TC 19706	16-2-3
16	9	R&TC 19705(a)(1)	16-2-3
17	10	R&TC 19706(a)(1)	16-2-3
18	11	R&TC 19706	16-2-3
19	12	R&TC 19705(a)(1)	16-2-3
20	13	R&TC 19706	16-2-3
21	14	UIC 2118.5	16-2-3
22	15	UIC 2118.5	16-2-3
23	16	UIC 2118.5	16-2-3
24	17	UIC 2118.5	16-2-3
25	18	UIC 2118.5	16-2-3
26	19	UIC 2118.5	16-2-3
27	20	UIC 2118.5	16-2-3
28	21	IC 11760(a)	2-3-5

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<u>Ct.</u>	<u>Charge</u>	<u>Charge Range</u>
22	IC 11760(a)	2-3-5
23	IC 11760(a)	2-3-5
24	IC 11760(a)	2-3-5

(Strike out as applicable)

☐ I ORDER that defendant THOMAS CHEUNG be held to answer for the above described offenses and allegations, and be admitted to bail in the sum of \$ _____, and that defendant be remanded to the custody of the Sheriff until such bail is given.

☐ I ORDER that defendant THOMAS CHEUNG be held to answer for the above-described offenses and allegations, that bail be denied, and that defendant be remanded to the custody of the Sheriff.

The date of Felony arraignment is set for:

_____ in Department _____ at _____ a.m.
(Date)

Magistrate
Superior Court of California

Date