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GENERAL COUNSEL  
LOS ANGELES SUPERIOR COURT

2021 JAN 12 AM 8:44

FILED

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 IN AND FOR THE COUNTY OF LOS ANGELES  
12

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

14 Plaintiff,

Case No. BA484238

15 v.

**FELONY COMPLAINT**

16  
17 **YAN LU** [REDACTED]  
**WILLIAM LU** [REDACTED],

18  
19 Defendants.  
20

21 The Attorney General of the State of California, through Deputy Attorney General Vikram  
22 Mandla, by this Felony Complaint, accuses defendants YAN LU and WILLIAM LU of the  
23 following crimes:

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1 **HY GOURMET, INC.**

2 **COUNT ONE**

3 **[CONSPIRACY]**

4 On or about April 10, 2013 through March 27, 2018, at and in the County of Los Angeles,  
5 State of California, defendants YAN LU and WILLIAM LU did unlawfully conspire together,  
6 and with other uncharged person or persons, to commit a crime in violation of Penal Code section  
7 182(a)(1), to wit: False sales tax return in violation of Revenue and Taxation Code sections  
8 7152(b) and 7153.5, a felony. Pursuant to and for the purposes of carrying out the objects and  
9 purposes of the aforesaid conspiracy, defendants YAN LU and WILLIAM LU committed the  
10 following overt acts:

11 **OVERT ACT – 1**

12 On or about April 10, 2013, YAN LU and Hui Yu Huang opened an account for HY  
13 Gourmet, Inc. at Bank of America.

14 **OVERT ACT – 2**

15 On or about June 23, 2015, WILLIAM LU sent an email to YAN LU, which included a  
16 false June 2015 sales reports for HY Gourmet, Inc.

17 **OVERT ACT – 3**

18 On or about June 23, 2015, YAN LU sent an email to Richard Chen, which included a  
19 false June 2015 sales reports for HY Gourmet, Inc.

20 **OVERT ACT – 4**

21 On or about July 20, 2015, Richard Chen filed a false return for HY Gourmet, Inc. with  
22 the California Department of Tax and Fee Administration.

23 **OVERT ACT – 5**

24 On or about January 23, 2016, WILLIAM LU sent an email to YAN LU, which included  
25 false January 2016 and February 2016 sales reports for HY Gourmet, Inc.

26 **OVERT ACT – 6**

27 On or about January 26, 2016, YAN LU sent an email to Richard Chen, which included  
28 false January 2016 and February 2016 sales reports for HY Gourmet, Inc.

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OVERT ACT – 7

On or about April 26, 2016, Richard Chen filed a false return for HY Gourmet, Inc. with the California Department of Tax and Fee Administration.

OVERT ACT – 8

On or about May 23, 2016, WILLIAM LU sent an email to YAN LU, which included a false May 2016 sales report for HY Gourmet, Inc.

OVERT ACT – 9

On or about May 23, 2016, YAN LU sent an email to Richard Chen, which included a false May 2016 sales report for HY Gourmet, Inc.

OVERT ACT – 10

On or about June 15, 2016, WILLIAM LU sent an email to YAN LU, which included a false June 2016 sales report for HY Gourmet, Inc.

OVERT ACT – 11

On or about June 16, 2016, YAN LU sent an email to Richard Chen, which included a false June 2016 sales report for HY Gourmet, Inc.

OVERT ACT – 12

On or about July 21, 2016, Richard Chen filed a false return for HY Gourmet, Inc. with the California Department of Tax and Fee Administration.

OVERT ACT – 13

On or about August 21, 2017, YAN LU filed a Statement of Information for HY Gourmet, Inc. with the California Secretary of State.

OVERT ACT – 14

On or about March 27, 2018, YAN LU filed a Statement of Information for HY Gourmet, Inc. with the California Secretary of State.

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**COUNT TWO**

**[FALSE SALES TAX RETURN]**

For a further and separate cause of action, being a different offense from but connected in its commission as the charges set forth in Count One: On or about January 27, 2016, at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU willfully aided or assisted in, or procured, counseled, or advised in, the preparation or presentation, of a return, affidavit, claim, or other document that was fraudulent or false for sellers permit number 102226979, for the period January 1, 2015 through December 31, 2015, with the intent to defeat or evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that the defendants, collected but failed to remit sales tax to the California Department of Tax and Fee Administration, to wit: \$101,590 sales tax collected by HY Gourmet, Inc.

**COUNT THREE**

**[FALSE SALES TAX RETURN]**

For a further and separate cause of action, being a different offense from but connected in its commission as the charges set forth in Counts One through Two: On or about January 30, 2017, at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU willfully aided or assisted in, or procured, counseled, or advised in, the preparation or presentation, of a return, affidavit, claim, or other document that was fraudulent or false for sellers permit number 102226979, for the period January 1, 2016 through December 31, 2016, with the intent to defeat or evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that the defendants, collected but failed to remit sales tax to the California Department of Tax and Fee Administration, to wit: \$124,225 sales tax collected by HY Gourmet, Inc.

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1 **COUNT FOUR**

2 **[FALSE SALES 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 Three: On or about July 14, 2017,  
5 at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU  
6 willfully aided or assisted in, or procured, counseled, or advised in, the preparation or  
7 presentation, of a return, affidavit, claim, or other document that was fraudulent or false for  
8 sellers permit number 102226979, for the period January 1, 2017 through June 1, 2017, with the  
9 intent to defeat or evade the reporting, assessment or payment of a tax liability equal to or greater  
10 than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month period, in  
11 violation of Revenue and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that the  
12 defendants, collected but failed to remit sales tax to the California Department of Tax and Fee  
13 Administration, to wit: \$49,925 sales tax collected by HY Gourmet, Inc.

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15 **COUNT FIVE**

16 **[FALSE INCOME TAX RETURN]**

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 Four: On or about February 21,  
19 2015, at and in the County of Los Angeles, State of California, defendant YAN LU willfully  
20 aided or assisted in, or procured, counseled, or advised in the preparation or presentation, of a  
21 return, affidavit, claim or other documents, that is fraudulent or false, in violation of Revenue and  
22 Taxation Code section 19705(a)(2), a **felony**, to wit: 2014 California Corporation Franchise or  
23 Income Tax Return for HY Gourmet, Inc.

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25 **COUNT SIX**

26 **[FALSE INCOME TAX RETURN]**

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 Five: On or about June 12, 2016,

1 at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU  
2 willfully aided or assisted in, or procured, counseled, or advised in the preparation or  
3 presentation, of a return, affidavit, claim or other documents, that is fraudulent or false, in  
4 violation of Revenue and Taxation Code section 19705(a)(2), a **felony**, to wit: 2015 California  
5 Corporation Franchise or Income Tax Return for HY Gourmet, Inc.

6  
7 **COUNT SEVEN**

8 **[FALSE INCOME TAX RETURN]**

9 For a further and separate cause of action, being a different offense from but connected in  
10 its commission as the charges set forth in Counts One through Six: On or about May 25, 2017, at  
11 and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU  
12 willfully aided or assisted in, or procured, counseled, or advised in the preparation or  
13 presentation, of a return, affidavit, claim or other documents, that is fraudulent or false, in  
14 violation of Revenue and Taxation Code section 19705(a)(2), a **felony**, to wit: 2016 California  
15 Corporation Franchise or Income Tax Return for HY Gourmet, Inc.

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17 **COUNT EIGHT**

18 **[FALSE INCOME TAX RETURN]**

19 For a further and separate cause of action, being a different offense from but connected in  
20 its commission as the charges set forth in Counts One through Seven: On or about October 4,  
21 2018, at and in the County of Los Angeles, State of California, defendants YAN LU and  
22 WILLIAM LU willfully aided or assisted in, or procured, counseled, or advised in the preparation  
23 or presentation, of a return, affidavit, claim or other documents, that is fraudulent or false, in  
24 violation of Revenue and Taxation Code section 19705(a)(2), a **felony**, to wit: 2017 California  
25 Corporation Franchise or Income Tax Return for HY Gourmet, Inc.

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1 **MAMA LU DUMPLING HOUSE MONTEREY PARK, INC.**

2 **COUNT NINE**

3 **[FALSE SALES TAX RETURN]**

4 For a further and separate cause of action, being a different offense from but connected in  
5 its commission as the charges set forth in Counts One through Eight: On or about January 13,  
6 2016, at and in the County of Los Angeles, State of California, defendants YAN LU and  
7 WILLIAM LU willfully aided or assisted in, or procured, counseled, or advised in, the  
8 preparation or presentation, of a return, affidavit, claim, or other document that was fraudulent or  
9 false for sellers permit number 102163107, for the period January 1, 2015 through December 24,  
10 2015, with the intent to defeat or evade the reporting, assessment or payment of a tax liability  
11 equal to or greater than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month  
12 period, in violation of Revenue and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that  
13 the defendant, collected but failed to remit sales tax to the California Department of Tax and Fee  
14 Administration, to wit: \$55,300 sales tax collected by Mama Lu Dumpling House Monterey  
15 Park, Inc.

16  
17 **COUNT TEN**

18 **[FALSE INCOME TAX RETURN]**

19 For a further and separate cause of action, being a different offense from but connected in  
20 its commission as the charges set forth in Counts One through Nine: On or about March 3, 2015,  
21 at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU  
22 willfully aided or assisted in, or procured, counseled, or advised in the preparation or  
23 presentation, of a return, affidavit, claim or other documents, that is fraudulent or false, in  
24 violation of Revenue and Taxation Code section 19705(a)(2), a **felony**, to wit: 2014 California S  
25 Corporation Franchise or Income Tax Return for Mama Lu Dumpling House Monterey Park, Inc.

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**COUNT ELEVEN**

**[FALSE INCOME TAX RETURN]**

For a further and separate cause of action, being a different offense from but connected in its commission as the charges set forth in Counts One through Ten: On or about June 11, 2016, at and in the County of Los Angeles, State of California, defendants YAN LU and WILLIAM LU willfully aided or assisted in, or procured, counseled, or advised in the preparation or presentation, of a return, affidavit, claim or other documents, that is fraudulent or false, in violation of Revenue and Taxation Code section 19705(a)(2), a **felony**, to wit: 2015 California S Corporation Franchise or Income Tax Return for Mama Lu Dumpling House Monterey Park, Inc.

**MAMA LU DUMPLING HOUSE, INC.**

**COUNT TWELVE**

**[FALSE SALES TAX RETURN]**

For a further and separate cause of action, being a different offense from but connected in its commission as the charges set forth in Counts One through Eleven: On or about January 22, 2018, at and in the County of Los Angeles, State of California, defendant YAN LU willfully aided or assisted in, or procured, counseled, or advised in, the preparation or presentation, of a return, affidavit, claim, or other document that was fraudulent or false for sellers permit number 102697891, for the period April 1, 2017 through December 31, 2017, with the intent to defeat or evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-five thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that the defendant, collected but failed to remit sales tax to the California Department of Tax and fee Administration, to wit: \$53,370 sales tax collected by Mama Lu Dumpling House, Inc.

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1 **COUNT THIRTEEN**

2 **[FALSE SALES 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 Twelve: On or about October 24,  
5 2018, at and in the County of Los Angeles, State of California, defendant YAN LU willfully  
6 aided or assisted in, or procured, counseled, or advised in, the preparation or presentation, of a  
7 return, affidavit, claim, or other document that was fraudulent or false for sellers permit number  
8 102697891, for the period January 1, 2018 through September 30, 2018, with the intent to defeat  
9 or evade the reporting, assessment or payment of a tax liability equal to or greater than twenty-  
10 five thousand dollars (\$25,000), within any 12-consecutive-month period, in violation of Revenue  
11 and Taxation Code sections 7152(b) and 7153.5, a **felony**, in that the defendant, collected but  
12 failed to remit sales tax to the California Department of Tax and fee Administration, to wit:  
13 \$51,681 sales tax collected by Mama Lu Dumpling House, Inc.

14  
15 **COUNT FOURTEEN**

16 **[FALSE INCOME TAX RETURN]**

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 Thirteen: On or October 2, 2018,  
19 at and in the County of Los Angeles, State of California, defendant YAN LU willfully aided or  
20 assisted in, or procured, counseled, or advised in the preparation or presentation, of a return,  
21 affidavit, claim or other documents, that is fraudulent or false, in violation of Revenue and  
22 Taxation Code section 19705(a)(2), a **felony**, to wit: 2017 California Corporation Franchise or  
23 Income Tax Return for Mama Lu Dumpling House, Inc.

24  
25 **COUNT FIFTEEN**

26 **[FALSE INCOME TAX RETURN]**

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 Fourteen: On or about July 5,

1 2019, at and in the County of Los Angeles, State of California, defendant YAN LU willfully  
2 aided or assisted in, or procured, counseled, or advised in the preparation or presentation, of a  
3 return, affidavit, claim or other documents, that is fraudulent or false, in violation of Revenue and  
4 Taxation Code section 19705(a)(2), a **felony**, to wit: 2018 California Corporation Franchise or  
5 Income Tax Return for Mama Lu Dumpling House, Inc.

6  
7 YAN LU

8 **COUNT SIXTEEN**  
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 Fifteen: On or about April 14,  
12 2015, at and in the County of Los Angeles, State of California, defendant YAN LU, a person  
13 who, within the time required, willfully and with like intent, made, rendered, signed, or verified  
14 any false or fraudulent return or statement or supplied any false or fraudulent information, with  
15 intent to evade any tax, in violation of Revenue and Taxation Code section 19706, a **felony**, to  
16 wit: 2014 California Resident Income Tax Return for Xian Huang and Yan Lu.

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18 **COUNT SEVENTEEN**  
19 **[FALSE INCOME TAX RETURN]**

20 For a further and separate cause of action, being a different offense from but connected in  
21 its commission as the charges set forth in Counts One through Sixteen: On or about June 13,  
22 2016, at and in the County of Los Angeles, State of California, defendant YAN LU, a person  
23 who, within the time required, willfully and with like intent, made, rendered, signed, or verified  
24 any false or fraudulent return or statement or supplied any false or fraudulent information, with  
25 intent to evade any tax, in violation of Revenue and Taxation Code section 19706, a **felony**, to  
26 wit: 2015 California Resident Income Tax Return for Xian Huang and Yan Lu.

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1 **SPECIAL ALLEGATION ONE**

2 **[WHITE COLLAR CRIME ENHANCEMENT IN EXCESS OF \$100,000]**

3 It is further alleged, pursuant to Penal Code Section 186.11(a)(1), that the offenses set  
4 forth in Counts One through Four and Nine are related felonies, a material element of which is  
5 fraud, which involve a pattern of related felony conduct, and the pattern of related felony conduct  
6 involves the taking of more than one hundred thousand dollars (\$100,000).

7 NOTICE: A conviction of this offense excludes the defendant from a sentence of  
8 imprisonment in the county jail pursuant to Penal Code section 1170(h).

9  
10 **SPECIAL ALLEGATION TWO**

11 **[STATUTE OF LIMITATIONS – COMMISSION WITHIN FIVE YEARS]**

12 It is further alleged pursuant to Revenue and Taxation Code section 7154, that the  
13 offenses set forth in Counts Two through Four, Nine, Twelve and Thirteen were committed on or  
14 after January 13, 2016.

15 On or about January 13, 2016, Mama Lu Dumpling House Monterey Park, Inc. filed false  
16 sales tax returns within any 12-consecutive month period ending December 24, 2015.

17 On or about January 27, 2016, HY Gourmet, Inc. filed false sales tax returns within any  
18 12-consecutive month period ending December 31, 2015. On or about January 30, 2017, HY  
19 Gourmet, Inc. filed false sales tax returns within any 12-consecutive month period ending  
20 December 31, 2016. On or about July 14, 2017, HY Gourmet, Inc. filed false sales tax returns  
21 within any 12-consecutive month period ending June 1, 2017.

22 On or about January 22, 2018, Mama Lu Dumpling House, Inc. filed false sales tax  
23 returns within any 12-consecutive month period ending December 31, 2017. On or about October  
24 24, 2018, Mama Lu Dumpling House, Inc. filed false sales tax returns within any 12-consecutive  
25 month period ending September 30, 2018.

26 In conclusion, sales tax evasion charged in Counts Two through Four, Nine, Twelve and  
27 Thirteen were not committed until the filing of false tax returns on or after January 13, 2016.

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1 **SPECIAL ALLEGATION THREE**

2 **[STATUTE OF LIMITATIONS – COMMISSION WITHIN SIX YEARS]**

3 It is further alleged pursuant to Revenue and Taxation Code section 19704, that the  
4 offenses set forth in Counts Five through Eight, Ten and Eleven, and Fourteen through Seventeen  
5 were committed on or after March 2, 2015.

6 HY Gourmet, Inc. filed false income tax returns for tax year 2014 on March 2, 2015, for  
7 tax year 2015 on June 13, 2016, for tax year 2016 on May 26, 2017, and for tax year 2017 on  
8 October 4, 2018.

9 Mama Lu Dumpling House Monterey Park, Inc. filed false income tax returns for tax year  
10 2014 on March 5, 2015, and for tax year 2015 on June 13, 2016.

11 Mama Lu Dumpling House, Inc. filed false income tax returns for tax year 2017 on  
12 October 4, 2018, and for tax year 2018 on July 8, 2019.

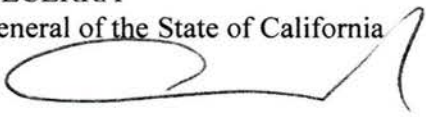
13 In conclusion, income tax evasion charged in Counts Five through Eight, Ten and Eleven,  
14 and Fourteen through Seventeen were not committed until the filing of false tax returns on or  
15 after March 2, 2015.

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17 **DECLARATION**

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

20  
21 Dated: 1/12/2021

22 XAVIER BECERRA  
23 Attorney General of the State of California

24 By:   
25 VIKRAM MANDLA  
26 Deputy Attorney General  
27 *Attorneys for the People of the State of*  
28 *California*