



NEWS

State of Delaware
Department of Finance
Division of Revenue
www.revenue.delaware.gov

FOR IMMEDIATE RELEASE
Monday, April 27, 2009

FOR FURTHER INFORMATION
David M. Smith
Division of Revenue
(302) 577-8958

NEWARK BUSINESS OWNER PLEADS GUILTY TO TAX CHARGES

(Wilmington, DE) – Director of Revenue, Patrick T. Carter, announced today that a Newark business owner entered a guilty plea in NCC Superior Court to tax charges filed by the State of Delaware.

Judy P. Layaou, 52, entered a guilty plea before NCC Judge Jan R. Jurden to three misdemeanor counts of willfully failing to file her 2005, 2006 and 2007 Delaware personal income tax returns. She originally was charged in a six-count indictment in March 2009 with willfully failing to collect and pay more than \$40,000 in payroll taxes, as well as willfully failing to file state income tax returns.

As a result of the plea, Layaou was sentenced to three years in prison, suspended for supervised probation. She also agreed to pay \$56,238 in restitution to the Division of Revenue by April 27, 2010. This represents both her personal and payroll tax liability for the years at issue. Layaou also agreed to file all necessary returns during the term of her probation.

Layaou was placed under investigation after the Division of Revenue's Business Audit Bureau determined that Layaou Landscaping and Newark Mower Center had issued W-2 withholding forms to its employees, but had not reported or paid withholding taxes to the state.

A subsequent investigation conducted by the Division's Criminal Investigation Unit revealed that Layaou, part-owner and operator of Layaou Landscaping and Newark Mower Center, earned sufficient income from the operation of her businesses to require filing of state income tax returns for the years 2005 through 2007. Instead, Layaou chose not to file Delaware income tax returns even though she knew she was required to do so.

This case was prosecuted by the Delaware Attorney General's office.

###