



Department of Justice

United States Attorney Brian J. Stretch
Northern District of California

FOR IMMEDIATE RELEASE
August 17, 2016

**NORTHERN CALIFORNIA RESTAURANT OWNER PLEADS GUILTY TO
OBSTRUCTING THE INTERNAL REVENUE LAWS AND HARBORING ILLEGAL
ALIENS FOR PROFIT**

Defendant Underpaid Employees and Filed False Returns

WASHINGTON – A Ukiah restaurateur pleaded guilty today to corruptly endeavoring to obstruct the due administration of the internal revenue laws and to harboring illegal aliens for profit, announced U.S. Attorney Brian J. Stretch, Principal Deputy Assistant Attorney General Caroline D. Ciruolo, head of the Justice Department's Tax Division, Special Agent in Charge Ryan Spradlin of U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), and Special Agent in Charge Michael T. Batdorf of the Internal Revenue Service's Criminal Investigation (IRS-CI).

Yaowapha Ritdet, 54, admitted that she knowingly hired Thai nationals who were illegally present in the United States to work at her restaurants, Ruen Tong Thai Cuisine and Walter Café, both located in Ukiah. Ritdet further admitted that she underpaid employees and instructed them not to speak to anyone about their immigration status. Ritdet also admitted that she willfully filed false individual income tax returns for tax years 2007 through 2011, failing to disclose gross receipts, sales and income received from their two restaurants, as well as rental income and a foreign bank account and failed to accurately report employment taxes owed for her restaurant employees, who were paid in cash.

The guilty plea was accepted by U.S. District Judge Edward M. Chen. The maximum statutory penalty for a violation of 26 U.S.C. § 7212 is three years' imprisonment and \$250,000 or twice the gross gain or loss resulting from the criminal activity. The maximum statutory penalty for a violation of 8 U. S. C. § 1324(a)(1) is 10 years' imprisonment and \$250,000, or twice the gain or loss resulting from the criminal activity. However, any sentence will be

imposed by the court only after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Ritdet is scheduled to be sentenced by Judge Chen on Feb. 22, 2017.

Principal Deputy Assistant Attorney General Ciralo and U.S. Attorney Brian J. Stretch commended special agents of IRS-CI and HSI, who investigated the case; the U.S. Department of Labor, Wage and Hour Division, which identified the underpayment of wages and overtime; and Trial Attorney Charles A. O'Reilly of the Tax Division and Assistant U.S. Attorney Jose A. Olivera, who are prosecuting the case.

Further Information:

Case #: CR-15-421 JSW

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Abraham Simmons at (415) 436-7264 or by e-mail at Abraham.Simmons@usdoj.gov.