

THIS STORY HAS BEEN FORMATTED FOR EASY PRINTING

Osaka accused of employing illegals

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Two years ago, a squad of federal agents swarmed the popular Osaka restaurant in West Ashley, shutting it down for a day as they searched the business under a tight lid of secrecy. All the feds would say was that U.S. Immigration and Customs Enforcement agents were assisting the Internal Revenue Service with an ongoing investigation at the Folly Road Japanese and Chinese restaurant.

This week, federal prosecutors pulled back the veil on that mystery when they revealed that Osaka owner Dao Ping Lin is accused of hiring illegal aliens and willfully shorting the IRS of thousands of dollars owed for federal income taxes.

What's more, his wife, Jin Xiang Yang, is accused of structuring bank withdrawals to avoid federal scrutiny of their bank activity.

Those allegations were contained in federal "information" documents filed in the case. An information is a formal accusation that a person committed a crime, and it is often used when a defendant waives indictment by a grand jury.

Paperwork filed in a related asset forfeiture case involving the couple indicates they are currently involved in plea negotiations with the prosecutors.

When reached at the restaurant in the South Windermere Shopping Center on Tuesday, Yang declined to comment, referring questions to the couple's attorney, Lionel Lofton.

Lofton said he has represented the couple for some time. He would not discuss specifics about the allegations but said federal charges were not unexpected.

"We were aware federal charges were going to be filed," he said. "They are serious charges, and we will be working to try to resolve them in a manner favorable to the (couple)."

Lin is accused of knowingly hiring undocumented workers between October 2009 and February 2011, according to court documents.

Authorities have not said how many illegal workers were hired. Beth Drake, spokeswoman for the U.S. Attorney's Office, said Tuesday she could not divulge any additional details about the case.

Lin is also accused of failing to properly deduct and collect federal income taxes during the fourth quarter of 2010, and then failing to pay the IRS that money in January 2011, the information states.

Court paperwork does not state how much money was involved, but federal authorities are seeking a judgment against Lin for a minimum of \$319,699, as well as forfeiture of a 2008 Infiniti sedan owned by the couple.

Yang is accused of making at least 102 withdrawals from Bank of America in amounts less than \$10,000, which would trigger federal reporting regulations. Between January 2007 and December 2009, Yang allegedly withdrew nearly \$1 million, the information states.

The information does not say what the money was specifically used for, but it accuses Yang of withdrawing more than \$100,000 in 2008 as “part of a pattern of illegal activity.”

This isn't the first time the restaurant has drawn the scrutiny of law enforcement.

Back in 2002, thieves with possible ties to organized crime made thousands of dollars in fraudulent purchases after stealing credit card numbers from customers of Osaka, the U.S. Secret Service said. The agency and Charleston police suspected the thefts were carried out by someone who briefly worked at the restaurant.

The Secret Service later arrested six men in four states in connection with the investigation.

The restaurant has been open since the late 1990s, and it bounced back from a large fire in 2003 to prosper once again.

Lin's family also owns an Osaka restaurant in North Charleston, but Lofton said it was not open at the time these alleged acts occurred and it has no involvement in the case.

Lofton said Lin and Yang are a hardworking couple who have operated the popular West Ashley restaurant for years.

“They are just great people,” Lofton said. “They've done a great job in the community and everyone loves their restaurant.”

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