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Nail salon owners face tax fraud, tax evasion charges

SANTA FE — The owners of Tracy’s Nails and Spa in Roswell are facing tax evasion and tax fraud charges as the result of an investigation by the New Mexico Taxation and Revenue Department’s Tax Fraud Investigations Division.

Trang Bui, 43, and Hoang Truong, 45, both of Roswell, were arrested April 5 on six counts each of attempts to evade or defeat tax, a fourth-degree felony; three counts each of fourth-degree felony tax fraud, and one count each of third-degree felony tax fraud. The charges expose the defendants to a maximum of 16½ years in prison and up to \$50,000 in fines.

Both defendants waived their rights to a preliminary hearing before Chavez County Magistrate Court Judge E.J. Fouratt on May 7.

The Tax Fraud Investigations Division began investigating the nail salon after receiving a tip that the business was failing to pay gross receipts taxes. According to an arrest warrant affidavit, Bui and Truong failed to file accurate returns on gross receipts for six semi-annual reporting periods between Jan. 1, 2014 and Dec. 31, 2016. The pair also filed false state Personal Income Tax returns for the years 2013 through 2016, according to the affidavit.

Investigators say the pair under-reported gross receipts taxes due by \$66,593.44 and owe \$9,328 in unpaid personal income tax.

The case is being prosecuted by the Fifth Judicial District Attorney’s Office in Roswell.

“I am grateful to the staff of the Tax Fraud Investigation Division for their tireless efforts to investigate tax fraud and evasion to prevent these abuses in New Mexico,” said Taxation and Revenue Department Secretary Stephanie Schardin Clarke.

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