

**September 25, 2019**

**ATTORNEY GENERAL RAOUL: CHICAGO RESTAURANT OWNER PLEADS GUILTY IN TAX FRAUD  
CASE**

***Conviction is the State's First Under Law Banning Sales Tax Suppression Devices***

**Chicago** — Attorney General Kwame Raoul today announced that an owner of a Chicago restaurant pleaded guilty to underreporting more than \$1 million in sales. The conviction is the first under a state law prohibiting the use of technology that helps businesses falsify sales records.

Sandra Sanchez, 45, of Morton Grove, pleaded guilty this week before Cook County Circuit Court Judge James Michael Obbish to possessing an automated sales suppression device, also known as a "tax zapper." Sanchez, an owner of Cesar's Restaurant located at 3166 N. Clark St., was sentenced to two years in prison and one year of supervised release, and was immediately taken into custody.

The Attorney General's office charged Sanchez in 2017 for defrauding the state out of more than \$100,000. The office alleged that between 2012 and 2015, Sanchez used a "zapper," or sales suppression software, to falsify more than \$1 million worth of electronic sales records to avoid paying the full amount of sales and use taxes to the state each month. Tax zapper software or tax zapper devices automatically delete some or all of a business' records of cash sales transactions and reconcile data so that reported sales appear to match reported income. Illinois banned the use of sales suppression software and devices in 2013, and this is the state's first conviction involving zapper technology.

"The case should send a message to all business owners who attempt to use tax suppression devices to defraud the state," Raoul said. "Using technology will not prevent you from getting caught, and it certainly will not protect you from being held accountable."

The investigation was conducted by the Illinois Department of Revenue's (IDOR) Criminal Investigations Division with support from Internal Revenue Service (IRS) Criminal Investigation.

"The Illinois Department of Revenue is committed to vigorously investigating instances of sales suppression and revenue underreporting by businesses," IDOR acting Director David Harris said. "As criminals attempt to utilize technology to perpetrate tax fraud, we will continue innovating our methods to ensure that all taxpayers pay their fair share. I congratulate Revenue's Criminal Investigation Division and its partners for their work protecting taxpayers from fraud."

"The accurate reporting of income is an important responsibility of all business professionals," said IRS Criminal Investigation Special Agent in Charge Kathy Enstrom. "In this case, Sandra Sanchez used a sales suppression device to attempt to conceal over \$1 million dollars of income. IRS-Criminal Investigation will continue to serve the American taxpayer by investigating individuals who hide their true income to avoid paying taxes."

Assistant Attorney General Ali Gadelhak handled the case for Raoul's Special Prosecutions Bureau.