



U.S. Department of Justice

United States Attorney

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OWNER OF EMPLOYEE LEASING COMPANY PLEADS GUILTY IN IMMIGRATION  
AND TAX FRAUD SCHEME

Agrees To Forfeiture Of \$23 Million Dollars

PHILADELPHIA - Kim Meas, 60, a native of Cambodia, pleaded guilty to charges stemming from schemes to defraud the United States. Meas was the managing director of LS Services Corporation ("LS"), an employee leasing company in South Philadelphia. He pleaded guilty to two counts of conspiracy to commit an offense against the United States, two counts of transporting illegal aliens and two counts of failure to collect and pay federal income and employment taxes. United States District Court Judge Jan E. Dubois scheduled a sentencing hearing for DATE. Meas faces a maximum possible statutory sentence of 30 years in prison, a fine of up to \$1.5 million, a \$600 special assessment, and three years of supervised release.

As the principal corporate officer at LS, Meas negotiated labor leasing contracts with various companies throughout the greater Delaware Valley that leased temporary workers from LS. Meas also established approximately 14 shell companies to create the illusion that the workers that LS leased to other companies were employees of the shell corporations. As such, the shell corporations, and not LS, would be responsible for collecting and paying employment and income taxes for the employees. Meas attempted make it impossible for the IRS to determine the identity of the employer of the illegal aliens, as well as the amount of employment and income taxes that the employer of the illegal aliens was required to pay to the federal treasury. LS also transported the illegal aliens, free of charge, to various work locations in company vehicles. The companies, that leased employees from LS, did not withhold federal income taxes on the wages paid to the employees, nor did these companies collect and pay to the Internal Revenue Service, employment taxes on the income earned by the workers. Meas had two co-conspirators, Ken Sem and Vivi Fnu, who previously pleaded guilty.

This case was investigated by U.S. Immigration and Customs Enforcement Homeland Security Investigations and Internal Revenue Service Criminal Investigations. It is being prosecuted by Assistant United States Attorney Floyd J. Miller.

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