



# **Area restaurant and owners sentenced for conspiracy to defraud Internal Revenue Service**

July 22 2016 1:44 PM



**ST. LOUIS - Lotawata Creek, Inc., d/b/a Lotawata Creek Southern Grill, a restaurant located in Fairview Heights, Illinois, and its two owners, Rodney Archer, 50, and Kenneth Archer, 52, were each sentenced for the offense of Conspiracy to**

Obstruct the Internal Revenue Service in the Assessment and Collection of Federal Income Taxes, Donald S. Boyce, United States Attorney for the Southern District of Illinois, announced today.

Lotawata Creek, Inc. d/b/a Lotawata Creek Southern Grill was sentenced to five years' probation and its owners, Kenneth Archer and Rodney Archer were each sentenced to four years' probation. The company (restaurant) and each owner were required to pay direct restitution totaling \$219,183.23.

This amount has already been paid prior to sentencing. Each of the defendants are required to pay additional penalties and interest (amounts are being determined) to the Internal Revenue Service, and, they will also have to pay unpaid taxes plus penalties and interest to the Illinois Department of Revenue, as well.

“Stealing from the government, by failing to pay your fair taxes, is stealing from all of the citizens of the United States.” noted United States Attorney Boyce. “Our office will continue to ferret out and prosecute tax cheats wherever they may be or whatever their scheme.”

The convictions are the result of a scheme by Rodney Archer, Kenneth Archer, and Lotawata Creek, Inc., d/b/a Lotawata Creek Southern Grill, beginning in 2010, through in or about July, 2015, where they altered and manipulated the information in the restaurant's point of sale system to lower the reported cash sales and then removed the corresponding amount of cash from the business prior to being deposited and reported as gross receipts.

This had the effect of lowering the total gross receipts reported on the tax returns and thereby lowering the total taxable income reported to the Internal Revenue Service.

The successful prosecution is the result of an investigation conducted by the Internal Revenue Service/Criminal Investigations. The prosecution of the case was handled by Assistant U.S. Attorney Norman R. Smith.