



News Release

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Burnsville Man Facing Felony Tax Charges

Saint Paul – The Minnesota Department of Revenue announced today that the Scott County Attorney's Office charged Kenneth Johnson, 26, of Burnsville, with eight felony tax crimes.

Johnson is charged with four counts of willful failure to file tax returns and four counts of willful failure to pay tax for tax years 2006 through 2009.

According to the complaint, Johnson failed to file state income tax returns for several years. An investigation found he had worked in the drywall business for at least seven years. Johnson was self-employed and operated KJ Drywall. After collection action by the department, Johnson began operating as BCL, Inc.

The complaint also states contractors' payments issued to Johnson or his business totaled more than \$68,000 in 2006, \$341,000 in 2007, \$441,000 in 2008 and \$116,000 in 2009.

Bank deposits in bank accounts registered to Johnson's business totaled \$400,000 in 2007, \$695,000 in 2008 and \$147,000 in 2009. One of the accounts was closed soon after department collection officers levied the account.

In addition, Johnson applied for loans in 2005 and 2006 and claimed to earn \$135,000 and \$114,000 for each of those years on the loan applications.

In 2009, Johnson admitted to a collection officer that he had been avoiding the debt for several years. He owes an estimated \$47,000 to the state.

A warrant was issued for Johnson in relation to the charges. In April, he was arrested in New Mexico, attempting to cross the border into Mexico. He is currently awaiting extradition.

Each felony is punishable by up to five years in prison, up to a \$10,000 fine, or both.

The Minnesota Department of Revenue has a 24-hour tip line for anyone who suspects an individual or business is violating tax laws, at (651) 297-5195 or 1-800-657-3500. Tipsters may remain anonymous and can also email the department at tax.fraud@state.mn.us. Last year, citizen tips resulted in 75 percent of the department's criminal case referrals.

The Minnesota Department of Revenue is dedicated to enforcing tax laws, collecting no more and no less than taxpayers owe. It takes progressively stricter measures against taxpayers who demonstrate they will not voluntarily meet their obligations.

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