

**News Release**

CONTACT Lisa Erickson
PHONE 651-556-NEWS (6397)
E-MAIL lisa.erickson@state.mn.us

FOR IMMEDIATE RELEASE:

February 27, 2012

Elysian Bar Owners Charged With Tax Evasion

St. Paul – The Minnesota Department of Revenue announced today that the Le Sueur County Attorney’s Office recently charged Lyle Paul Arndt, 52, and Dawn Marie Arndt, 50, both of Madison Lake, each with 28 felony tax crimes. The charges relate to operating an Elysian business – The Bears Den Bar & Grill – from 2007 through 2010.

Each is charged with four counts of failing to file corporate tax returns, three counts of failing to submit Sales and Use Tax returns, three counts of failing to pay Sales and Use Tax, four counts of continuing to conduct sales after the Minnesota Department of Revenue revoked their Sales and Use Tax permit, three counts of failing to submit withholding tax returns, three counts of failing to submit to the state taxes withheld from their employees’ wages, four counts of failing to file an income tax return, and four counts of failing to pay income tax.

According to the criminal complaint, the husband and wife filed no state income tax returns and paid no income tax from 2007 through 2010, filed no Sales and Use Tax returns and paid no Sales and Use Tax from 2008 through 2010, and neglected to file and pay the taxes they withheld from their employees’ paychecks from 2008 through 2010. Plus, said the complaint, they continued to operate the Bears Den Bar & Grill illegally after the department revoked their Sales and Use Tax permit.

Each of the charges carries a maximum penalty of five years in prison and a \$10,000 fine.

The Minnesota Department of Revenue has a 24-hour tip line for anyone who suspects an individual or business is violating tax laws. That number is (651) 297-5195, or 1-800-657-3500 (TTY users call 711 for Minnesota Relay). Tipsters may remain anonymous and can also email the department at tax.fraud@state.mn.us. Last year, citizen tips totaled 75 percent of the department’s criminal case referrals.

While most taxpayers comply with tax laws voluntarily, the Minnesota Department of Revenue takes progressive enforcement action against non-compliant taxpayers ensuring tax laws are fairly administered, collecting no more and no less than taxpayers owe.

Learn how the Minnesota Department of Revenue is working to stop tax evasion on recreational vehicles [here](#).

Follow the latest news and updates from the Minnesota Department of Revenue on [Twitter](#).