

News Release

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St. Paul man charged with tax crimes

ST. PAUL, Minn. – The Minnesota Department of Revenue announced that the Ramsey County Attorney’s Office recently charged Phillip Gutterman, 56, of St. Paul, with six tax felonies.

Gutterman is charged with three counts of filing false tax returns and three counts of failing to pay taxes.

According to the criminal complaint, Gutterman sold illegal sport-related tipboards and took part in illegal gambling deals totaling more than \$460,000, between 2008 and 2010. The estimated minimum profit on these deals is \$136,000.

One aspect of this case is based on illegal tipboards, which is a gambling game based on matching a pair of sports numbers. While this case relates to illegal tipboards, all gambling income is subject to Minnesota income tax. For more information on tipboards, click [here](#) and scroll down to the tipboard section.

The complaint alleges Gutterman failed to include gambling income on his 2008, 2009 and 2010 tax returns. Instead, it claims he received tax refunds for each of these years but would have owed a substantial amount of taxes to the state had he claimed his gambling income.

The charges each carry a maximum penalty of up to five years in prison and up to 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. In 2012, citizen tips totaled 80 percent of the department’s criminal case referrals.

While most taxpayers comply with tax laws voluntarily, the Minnesota Department of Revenue takes enforcement action against non-compliant taxpayers ensuring tax laws are fairly administered.

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