

News Release

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Brooklyn Park man charged with tax crimes

ST. PAUL, Minn. – The Minnesota Department of Revenue announced that the Hennepin County Attorney’s Office recently charged Joseph Brian Lee, 47, of Brooklyn Park, with eight tax felonies.

Lee is charged with four counts of failing to file income tax returns, three counts of failing to file Sales and Use Tax returns, and one count of filing a false Sales and Use Tax return.

According to the criminal complaint, Lee owned Efficient Energy Systems, a business for which he allegedly failed to pay the sales tax that he collected from customers.

Lee is accused of failing to report business income of approximately \$371,000, for tax years 2008 through 2011. He owes an estimated \$42,000 in income tax, penalty and interest, and an estimated \$10,000 in sales tax, penalty and interest.

The complaint claims Lee:

- failed to file state income tax returns for tax years 2008 through 2011;
- failed to file sales and use tax returns for 2008, 2009, and 2011; and
- filed a false sales and use tax return for 2010.

The complaint claims Lee understood he needed to remit the sales tax he collected to the state and asserted he couldn’t pay sales tax without going broke. The complaint also states that Lee realized he was required to pay income tax for 2010 but failed to file or pay.

Each criminal charge carries 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 a person 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, 80 percent of the department's criminal case referrals came from citizen tips.

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

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