



## News Release

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### **Burnsville couple charged with tax crimes**

**ST. PAUL, Minn.** – The Minnesota Department of Revenue announced that the Dakota County Attorney’s Office recently charged Ronald and Cheryl Grote, of Burnsville, with tax-related felonies.

Mr. Grote is charged with 21 tax-related counts, including 5 counts of failing to file sales tax returns, 5 counts of failing to pay sales tax, 5 counts of failing to file income tax returns, 5 counts of failing to pay income tax, and 1 count of making sales after revocation.

Mrs. Grote is charged with 10 tax-related counts, including 5 counts of failing to file income tax returns and 5 counts of failing to pay income taxes. The couple filed joint income tax returns.

According to the criminal complaint, Mr. Grote is the owner of Ron’s Cleaning Service, also known as R.G. Management, which is a cleaning and janitorial business.

The complaint also states Mr. Grote failed to file sales tax returns and pay sales tax between 2008 and 2012, with the exception of one quarterly filing in 2010, which he did not pay. He also failed to timely file income tax returns and pay income tax for the same years.

The complaint states the department notified Mr. Grote of the intent to revoke his sales tax permit, and it did so in 2011 after he did not respond.

The complaint states Mr. Grote changed the name of his business to R.G. Management and continued making sales after revocation. During an interview with the department, he admitted he failed to file and pay sales tax, file income tax returns, and continued operating his business after his sales tax permit was revoked, which is a felony.

During the course of this investigation, the Grotes filed joint returns and owed more than \$65,000 in delinquent income taxes and after a portion was recovered through bank account levies, they still owe \$27,000.

Each felony charge carries a maximum penalty of up to five years in prison and up to a \$10,000 fine. Defendants are presumed innocent unless and until proven guilty.

Although most taxpayers comply with tax laws voluntarily, the Minnesota Department of Revenue takes enforcement action against noncompliant taxpayers to ensure tax laws are fairly administered.

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. Tipsters may remain anonymous and can also email the department at [tax.fraud@state.mn.us](mailto:tax.fraud@state.mn.us). In 2013, 85 percent of the department's criminal case referrals came from citizen tips.

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