

News Release

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FOR IMMEDIATE RELEASE:

May 1, 2015

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Blaine family charged with tax crimes

ST. PAUL, Minn. – The Minnesota Department of Revenue announced that the Anoka County Attorney’s Office recently charged Kevin Hagen, Susan Hagen, and Eric Hagen, all of Blaine, with eight tax-related felonies, each.

Kevin Hagen is charged with four counts of failure to file tax returns and four counts of failing to pay taxes. According to the criminal complaint, Kevin Hagen was involved in numerous investments and did subcontracting work, yet he failed to file and pay taxes between 2008 and 2011. Bank records show Mr. Hagen concealed his income in other people’s bank accounts and owes the state more than \$18,000 in taxes.

Susan Hagen is charged with four counts of failure to file tax returns and four counts of failing to pay taxes. According to the criminal complaint, Ms. Hagen had large amounts of money deposited into her bank accounts, none of which was ever reported as income and she owes the state more than \$18,000 in taxes.

Eric Hagen is charged with four counts of filing fraudulent returns and four counts of failing to pay taxes. The complaint states that Eric Hagen also had large amounts of money deposited into his bank accounts and paid out to his father, Kevin Hagen. According to the complaint, Eric filed his taxes between 2008 and 2011, but he did not pay state income tax for these years and owes the state more than \$15,000 in taxes.

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 (toll free). Tipsters may remain anonymous and can also email the department at tax.fraud@state.mn.us. In 2014, 87 percent of the department's criminal case referrals came from citizen tips.

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