

News Release

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Pine City man charged with multiple tax crimes

ST. PAUL, Minn. – The Minnesota Department of Revenue announced that the Pine County Attorney’s Office recently charged Walter James Scheunemann, of Pine City, with seven felony counts of failing to file sales and use tax returns and seven felony counts of failing to pay sales and use taxes.

According to the complaint, Mr. Scheunemann, owner of Scheunemann Logging and Contracting, was using tax exemption certificates to improperly purchase over 1,300 taxable items. The complaint alleges that Mr. Scheunemann falsely presented the tax exemption certificates at various retailers claiming the purchases he was making were for his various other businesses, at least one of which did not exist. Because tax was due on those purchases despite the exemption certificates, the complaint states Mr. Scheunemann should have filed sales and use tax returns and paid sales and use tax each year from 2012 through 2018. According to the complaint, Mr. Scheunemann owes more than \$7,800 in sales and use tax. He is also subject to penalties of \$20,700 for the 207 times he improperly used exemption certificates.

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

Many of the department’s criminal case referrals come from public tips. The Minnesota Department of Revenue has a 24-hour tip line for anyone who suspects that a person or business is violating Minnesota tax laws. Local callers may dial 651-297-5195 or call toll-free by dialing 1-800-657-3500. Tips can also be submitted to the department by email at tax.fraud@state.mn.us. Tipsters may choose to remain anonymous.

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