

# **Taney County business owner sentenced for failure to pay \$500,000 in payroll taxes**

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Tammy Dickinson, United States Attorney for the Western District of Missouri, announced today that a Taney County, Mo., business owner has been sentenced in federal court for failing to pay over more than \$500,000 in taxes he withheld from his employees' paychecks.

Carl Justin Gage, 42, of Ridgedale, Mo., was sentenced by U.S. District Judge Brian C. Wimes on Tuesday, Oct. 18, 2016, to a year and a day in federal prison without parole. The court also ordered Gage to pay \$627,000 in restitution.

On Jan. 15, 2016, Gage pleaded guilty to the willful failure to pay over taxes.

Gage owned and operated multiple businesses in Taney County, including Eagle Construction and Excavating, LLC, Gage Excavating, LLC, Gage Family Entertainment, LLC, and Hollister Pizza Company, LLC. Based on his theft of the employee taxes from those businesses (including the employer's matching portions), Gage embezzled approximately \$503,000 (which does not include statutory interest owed) from 2008 to 2011.

Gage admitted he was aware of these requirements and willfully did not pay over the tax even though he withheld the taxes from the employees' paychecks. Gage hired a bookkeeper to manage the finances of his businesses, including the payroll and preparation of payroll tax returns. The bookkeeper notified Gage of the payroll tax due and owing, but Gage willfully made the decision each quarter to not pay over the taxes withheld from his employees' paychecks to the Internal Revenue Service.

This case was prosecuted by Assistant U.S. Attorney Patrick Carney. It was investigated by the FBI and IRS-Criminal Investigation.