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*For immediate release:* Friday, Jan. 20, 2012

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### **Former South Dakota Contractor Sentenced on Tax Charges**

PIERRE, S.D. – A Colorado contractor, formerly operating in South Dakota, was sentenced Jan.12, 2012, to 30 days in jail, and ordered to pay an additional \$36,765 in restitution after pleading guilty to a Class 6 felony count of failure to pay South Dakota contractors' excise tax.

Ryan Knecht, 49, was ordered by Circuit Court Judge Tony L. Portra to pay restitution in the amount of \$36,765 in tax, penalty and interest to the State of South Dakota. Knecht had already paid \$21,000 in tax due the state and \$3,000 in prosecution costs.

Knecht was also fined \$800 and placed on probation for a period of four years. He was granted a suspended imposition of sentence.

Knecht was originally charged with five Class-6 felony counts of filing false or fraudulent tax returns with the Department of Revenue for construction work performed under the business names of Knecht Construction and Knecht Hofmann Construction from 2005 through 2007. An investigation conducted by the Department revealed Knecht substantially underreported the gross receipts he received for construction jobs in South Dakota during those years.

The case was investigated by the South Dakota Department of Revenue's Investigative Services Bureau and was prosecuted by Special Assistant Attorney General Donald N. Srstka.