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Wilmot Man Sentenced on Tax Charges

PIERRE, S.D. – A Wilmot contractor was sentenced Feb. 10, 2011, to two consecutive 360-day jail terms, suspended, and ordered to pay almost \$200,000 in restitution and other costs after pleading guilty to two Class 1 misdemeanor counts of failure to pay South Dakota contractors' excise tax.

Stanley Peiker, 52, was ordered by Circuit Court Judge Jon S. Flemmer to pay restitution in the amount of \$192,406.27 in tax, penalty and interest to the State of South Dakota as well as \$5,000 for prosecution and court costs. Peiker has already paid \$105,000 of the amount due, with the remaining balance to be paid within one year. Peiker was also fined \$2,000 and placed on probation for a period of two years.

Peiker was originally charged with four Class 6 felony counts of filing false or fraudulent tax returns with the Department of Revenue and Regulation for construction work performed between 2004 and 2008 under the business name Windy Hills Log Homes. An investigation conducted by the Department revealed Peiker 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 and Regulation's Investigative Services Bureau and was prosecuted by Special Assistant Attorney General Donald N. Srstka.