



Department of Justice

United States Attorney Conner Eldridge
Western District of Arkansas

FOR IMMEDIATE RELEASE
April 24, 2014

CONTACT: Joyce Snow
PHONE: (479) 494-4066

TWITTER: @WDARnews

**FORMER NORTHWEST ARKANSAS BUSINESSMAN SENTENCED TO
OVER 10 YEARS FOR FAILING TO PAY FEDERAL INCOME TAXES**

Fayetteville, Arkansas - Conner Eldridge, United States Attorney for the Western District of Arkansas, and Christopher A. Henry, Special Agent in Charge, IRS Criminal Investigation, Nashville Field Office, announced today that Steven Kolb, 59, of Springdale, Arkansas, was sentenced to 121 months in federal prison for willfully failing to pay over tax. Kolb was also sentenced to three years of supervised release, and a \$2,500.00 fine. The Honorable Timothy L. Brooks, U.S. District Court Judge for the Western District of Arkansas, also ordered Kolb to pay \$117,455.36 in restitution to the Internal Revenue Service.

U.S. Attorney Eldridge commented, "When employers withhold taxes from paychecks and do not remit those funds to the government, they are breaching the trust of their hard-working employees. This is also an affront to the vast majority of employers that handle employee withholdings in an appropriate manner. This defendant has now been held accountable for his conduct in this regard."

"The IRS Criminal Investigation Division takes these violations of law very seriously," said Special Agent in Charge Christopher A. Henry. "Employment tax fraud can also impact employees, who may see future benefits such as Social Security, Medicare or Unemployment Compensation reduced or eliminated because of their employers not complying with the law."

According to court records, from 2004 through 2010, Kolb and his wife owned a granite/stone installation business which they opened under the name Stone Art Designs, LLC. Stone Art Designs, LLC was required to make deposits of the payroll taxes to the IRS on a periodic basis. In addition, it was required to file, following the end of each calendar quarter, an Employer's Quarterly Federal Income Tax Return (Form 941), setting forth the total amount of tax withheld, the total amount of Social Security and Medicare taxes due, and the total tax deposits. Kolb, as owner of the business, had the duty and responsibility to collect, truthfully account for, and pay over Stone Art Designs, LLC's payroll taxes.

Although Kolb filed delinquent Forms 941 for Stone Art Designs, LLC and withheld payroll taxes from employee paychecks for the tax quarters in years 2005 through 2007, he willfully failed to pay over those taxes to the IRS. Altogether, Kolb failed to pay over \$117,455.35 in payroll taxes which included the taxes withheld from employee paychecks and the portion of taxes that Stone Art Designs, LLC was required to match and pay over to the IRS.

On July 1, 2013, Kolb pleaded guilty to one count of Willful Failure to Collect or Pay Over Tax.

The case was investigated by IRS-Criminal Investigation. First Assistant United States Attorney Wendy L. Johnson prosecuted the case for the United States.

* * * END * * *

Related court documents may be found on Public Access to Electronic Records Website@www.Pacer.gov