

U.S. Dept. of Justice: Appleton restaurant owner pleads guilty to violations of federal tax laws

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United States Attorney Richard G. Frohling announced that on March 25, 2022, Paul R. Vanderlinden (age: 42) of Appleton, Wisconsin, entered a guilty plea in federal court in Green Bay to charges that he willfully filed a false tax return and failed to truthfully account for and pay over payroll taxes to the Internal Revenue Service.

According to court filings, Vanderlinden, as owner and operator of Muncheez Pizzeria in Appleton, Wisconsin, skimmed approximately \$800,000 from his business' receipts between 2012 and 2016. Large cash deposits were made to Vanderlinden's personal bank account during this timeframe. Vanderlinden failed to include this revenue in his tax returns, and fraudulently underreported his gross receipts by at least \$130,000 for each tax year.

Vanderlinden gave his employees the option of being "paid in cash without taxes taken out, or by check with taxes taken out," and used a large portion of the skimmed revenue to pay his employees "under the table." Federal law requires employers to collect payroll taxes. Vanderlinden willfully failed to withhold and pay over approximately \$88,000 in payroll taxes between 2012 and 2016, and he filed employer tax returns containing false statements regarding the wages paid to his employees.

"This case reflects the strong commitment of the Department of Justice and our federal law enforcement partners to investigating and prosecuting individuals who seek to abuse our tax laws," said United States Attorney Frohling. "This type of fraud not only undermines the rule of law but also puts individuals and businesses that act in a forthright and honest manner at an unfair disadvantage in the

marketplace.”

“Business owners have a responsibility to withhold income taxes for their employees and then remit those taxes to the Internal Revenue Service,” said IRS Criminal Investigation Special Agent in Charge Justin Campbell, Chicago Field Office. “The failure to pay over withheld taxes is a serious offense. It results in the loss of tax revenue to the United States government and the loss of future social security or Medicare benefits for the employees.”

Vanderlinden will be sentenced on July 7, 2022, before Senior United States District Judge William C. Griesbach.

This investigation was undertaken by Special Agents from the Internal Revenue Service’s Criminal Investigation division. It is being prosecuted by Assistant U.S. Attorney Farris Martini.