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Waukesha Businessman Pleads Guilty to Embezzlement

Today, Michael Spahr of New Berlin pled guilty in Waukesha County Circuit Court to four counts of embezzlement for failing to remit \$238,530 in taxes that were withheld from his employees' wages between February 2004 and January 2013. Spahr was prosecuted by the Wisconsin Attorney General's Office based upon an investigation by the Wisconsin Department of Revenue's Criminal Investigation Section.

Employers are required to deduct Wisconsin income taxes from their employee's wages, hold the money in trust, and deposit these taxes with the Department of Revenue. According to the criminal complaint, Spahr has operated D.S. Electrical Contractors, Inc. in Menomonee Falls since 1997.

Spahr is a former tax accountant, and he admitted to filing all the withholding tax forms for the business, including the W-2s for his employees. Spahr also admitted that he knew that the forms he was filing with the Wisconsin Department of Revenue were not accurate and he was not sending in all the money he should have. When Department investigators asked why he did not remit what he knew he should have, Spahr admitted that he made an error in judgment, but also said that his business didn't have enough money.

In court today, Spahr made a \$20,000 payment to the Wisconsin Department of Revenue. He is scheduled to be sentenced on June 26, 2015. Each count of embezzlement-theft by trustee carries a maximum penalty of five years in prison, plus five years' extended supervision and a \$25,000 fine. Assistant Attorney General Eric D. Défort represents the State of Wisconsin in this prosecution.

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