

He collected sales tax but didn't pay it:

Beaver Island restaurateur pleads guilty to tax fraud

By [Keith McShea](#) | Published June 26, 2019 | Updated June 26, 2019

The owner of a restaurant that operated out of the clubhouse at Beaver Island State Park collected nearly \$57,000 in sales tax from customers for two years. However, he didn't pass those thousands on to New York State. Patrick Wirth, 28, of Grand Island, pleaded guilty to a felony count of criminal tax fraud in Erie County Court on June 14, 2019, the New York State Department of Taxation and Finance announced Wednesday.

Wirth was the owner of River Beaver LLC, a restaurant that operated at the Beaver Island Clubhouse. Between August 2015 and August 2017, he collected \$56,976 in sales tax from the customers of his banquet facility but failed to pay to New York State, as required by law, officials said. Wirth paid restitution of \$15,000 upon pleading guilty, leaving a balance of about \$42,000. Wirth faces a sentence of up to seven years in prison. He's due back in Erie County Court for sentencing on Sept. 3.

The case was referred to the New York State Department of Taxation and Finance's Criminal Investigations Division by the New York State Office of Parks, Recreation and Historic Preservation, which had conducted an internal audit of the business. The Erie County District Attorney's office prosecuted the case.

"Honest taxpayers trust that business owners will hold up their end of the deal and remit the sales tax they collect," Andrew Morris, the executive deputy commissioner of the Department of Taxation and Finance, said in a release. "When that trust is violated, it deprives communities and the state of revenue needed for vital services. We'll continue to ensure that those who ignore their tax obligations are held accountable."