



# NEWS

State of Delaware  
Department of Finance  
**Division of Revenue**  
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FOR IMMEDIATE RELEASE  
Tuesday, January 3, 2012

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## **GEORGETOWN BUSINESS OWNER INDICTED FOR FAILING TO PAY TRUST-FUND TAXES**

(Wilmington, DE) –Director of Revenue Patrick T. Carter announced today that a New Castle County grand jury returned a seven-count indictment charging a Georgetown business owner with his failure to pay trust-fund taxes totaling more than \$30,000 to the State of Delaware.

George W. Donald, 46, was charged with two felony counts of failing to pay over state withholding taxes that were withheld from his employees' wages during the years 2006 and 2007. Donald was also charged with five felony counts of failing to pay over rental use taxes collected from customers of his construction equipment rental business, Delaware Rental, during the years 2006 through 2010.

The rental of tangible personal property within Delaware is subject to a rental use tax at the rate of 2.07%.

Investigators say that Donald operated Delaware Rental and he was responsible for maintaining payroll and financial records for the business. As part of his duties, Donald was responsible for remitting withholding taxes and rental use taxes owed by the business to the Division of Revenue. These taxes, totaling more than \$30,000, were held in trust for the benefit of the State of Delaware – meaning that the money never actually belonged to the business. Instead of paying over these taxes to the state, Donald transferred a significant amount of corporate funds into a separate business he controlled.

It is illegal to use withholding and trust-fund taxes for any purpose other than payment to the government, and the consequences of doing so may be severe.

The seven felony counts each carry a maximum penalty of five years in prison, and such fines and penalties as the court deems appropriate.

This case stems from an investigation conducted by the Delaware Division of Revenue's Criminal Investigation Unit and referred to the Delaware Attorney General's Office for indictment and prosecution.

Donald awaits arraignment and trial date in Superior Court in Wilmington.

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