

# **Attorney General Raoul: McHenry County Man Pleads Guilty To Defrauding The State Out Of Millions In Sales Tax Revenue**

July 6 2022 3:06 PM



CHICAGO - Attorney General Kwame Raoul today announced a McHenry County man pleaded guilty to allegedly defrauding the state out of more than \$3 million in sales tax revenue.

Kenneth Kilberger, 53, of Lake in the Hills, pleaded guilty in McHenry County Circuit Court to sales tax evasion, a Class 1 felony. He was sentenced to four years in prison followed by one year of mandatory supervised release. He was also ordered to pay \$25,000 in fines and court costs related to the case.

“Business owners who defraud the state out of tax revenue harm their communities by depriving needed programs and services of funding,” Raoul said. “I commend the Illinois Department of Revenue for its work on this case and am committed to our continued collaboration in recovering critical revenue and holding accountable the individuals who attempt to defraud the state.”

Raoul alleges that from January 2016 to October 2020, Kilberger evaded taxes on sales from 11 Denny's restaurants he owned and operated within the state of Illinois. Kilberger allegedly underreported the restaurants' sales by approximately \$42 million, defrauding the state from more than \$3 million in tax revenue.

The investigation was conducted by the Illinois Department of Revenue's (IDOR) Criminal Investigation Division through an initiative targeting sales tax evasion and theft of government funds. Since the conclusion of the investigation, Kilberger has paid all back taxes owed to the IDOR.

"Individuals who falsify sales taxes are not just stealing from the state, but also from the residents who rely on the important programs and services that tax revenue provides," said Illinois Department of Revenue Director David Harris. "I congratulate and appreciate the continued partnership of the Department of Revenue's Bureau of Criminal Investigations and the Attorney General's Office as we continue to work together to hold these individuals accountable."

Deputy Bureau Chief Regina Jeon handled the case for Raoul's Special Prosecutions Bureau.