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partner at King, Reinsch, Prosser & Co.

Aug. 01, 2022



*By Nick Hytrek, Sioux City Journal, Iowa (TNS)*

A federal jury on Thursday found a partner at Sioux City's oldest accounting firm not guilty of filing false personal income tax returns and providing fraudulent information to IRS auditors.

David Schmit, of Sioux City, was tried in U.S. District Court in Sioux City on two counts of filing false tax returns for the 2012-14 tax years and one count of corruptly

obstructing and impeding the due administration of the internal revenue code.

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unwavering support.”

Schmit, a partner at King, Reinsch, Prosser & Co., also known as KRP, was indicted in 2019. He had taken a leave of absence from the firm while dealing with his legal issues. The statement provided by his legal team did not say if he will remain on a personal leave of absence for the time being or when he will go back to work.

Schmit was charged with incorrectly reporting and overstating certain deductions by failing to reduce the purchase price by the value of a depreciated trade-in for farm equipment, resulting in under-reported income on his personal tax returns. He also was charged with providing fraudulent invoices/receipts to the Internal Revenue Service during an audit. The allegations did not pertain to any of his clients.

His attorney had said the allegations reflected “a good-faith tax disagreement” about purchases of equipment for Schmit’s family farm operations. After the verdict, Schmit’s legal team added that they believed he was “subjected to a rush to judgement by the IRS.”

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