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### **OAG secures conviction of HVAC owner on 11 counts for paying workers off the book and tax evasion**

**SALT LAKE CITY (May 6, 2026)** — A jury has convicted Wayne Margetts, Tooele County HVAC business owner, on 11 felony counts for hiding more than \$780,000 in employee wages from the state.

Margetts was convicted of five counts of tax evasion, five counts of rendering a false tax return or supplying false information, and one count of pattern of unlawful activity.

From 2013 to 2018, Margetts paid more than 30 employees an approximate \$1,600,000 but reported about \$820,000 in wages to the Utah State Tax Commission, hiding more than \$780,000 in compensation from the state. He did this by underreporting employees' hours, manipulating wage rates, paying workers off-book, and writing checks to an employee's spouse with no corresponding tax withholding.

Utah law requires employers to withhold state income tax from employee wages and send those withholdings to the Tax Commission each quarter. Margetts failed to do that for five years, leaving an estimated \$20,000 in unpaid withholding tax and an estimated \$25,000 in interest and penalties owed to the state.

On May 1, after a five-day trial, a Third District Court jury found Margetts guilty. He will face sentencing on June 4, 2026.

The Financial Crimes Division prosecuted this case on behalf of the state. The Utah State Tax Commission's Criminal Investigation Unit investigated the case.

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