



U.S. Department of Justice

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IMMEDIATE RELEASE

April 7, 2025

**Appleton Businessman Sentenced to 24 Months' Imprisonment for
Failing to Pay Employment Taxes**

Richard G. Frohling, Acting United States Attorney for the Eastern District of Wisconsin, announced that on April 4, 2025, Douglas Larson, age 72, was sentenced to 24 months in federal prison for failing to pay over \$1,000,000 of employment taxes he owed.

According to court records, Larson was the owner and operator of Mods International, later known as Mods Client Services, which manufactured and installed residential and commercial buildings out of shipping containers. Larson failed to pay over \$1,000,000 in employment taxes his businesses owed over the course of nearly 14 years. At the same time, court records indicate that he spent significant money on luxuries for himself and his wife.

At sentencing, Senior United States District Judge William Griesbach highlighted the length and dollar amount of Larson's crime. Judge Griesbach also emphasized that Larson has a significant history of fraud convictions, which date back to the 1970s and continue through Larson's adult life. Judge Griesbach noted that a higher sentence may have been warranted except for Larson's failing health.

"This defendant withheld taxes from the employees of his businesses but willfully refused to pay the money over to the United States," said Acting U.S. Attorney Frohling. "By doing so, he not only breached the trust of his employees but also caused a loss to every American taxpayer. I commend all involved in holding Mr. Larson accountable for his actions."

"For over a decade, Douglas Larson chose personal luxury over his obligations to his employees and the tax system," said Ramsey E. Covington, Acting Special Agent in Charge, IRS Criminal Investigation, Chicago Field Office. "IRS Criminal Investigation remains committed to holding individuals accountable who seek to defraud the government and violate the trust of their employees and the American taxpayer."

The IRS, Criminal Investigation Division, investigated the case, which Assistant United States Attorney Zachary J. Corey prosecuted.

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