

**STATE OF MINNESOTA
BOARD OF ACCOUNTANCY**

In the Matter of the CPA Certificate of

Martin Alan Johnson
CPA Certificate No. 14135

**STIPULATION AND
CONSENT ORDER**

Board File 2022-026

STIPULATION

Martin Alan Johnson (“Respondent”) and the Minnesota Board of Accountancy’s Complaint Committee stipulate that, subject to Board’s review and discretionary approval, the Board may issue a consent order that imposes the following sanctions:

A. Respondent’s CPA certificate, No. 14135, is CENSURED and REPRIMANDED pursuant to Minn. Stat. § 326A.08 (2020).

B. Respondent shall pay to the Board a CIVIL PENALTY of One Thousand Dollars (\$1,000). Respondent shall submit a civil penalty of \$1,000 by check to the Board within sixty (60) days of the Board’s approval of this Stipulation and Consent Order.

C. Respondent shall remain law abiding and comply with all statutes and rules within the Board’s jurisdiction. See Minn. Stat. ch. 326A (2020) and Minn. R. ch. 1105 (2021).

D. Respondent shall report in writing within ten days any and all violations of this stipulation and consent order to the Board’s Executive Director.

Respondent and the Committee enter into this stipulation based on the following findings of fact, conclusions of law, and other stipulated provisions:

Findings of Fact

1. Respondent was issued a CPA certificate by the Board on October 17, 1991.
2. Respondent was hired to prepare the 2012 taxes for both a client and the client's now closed business.
3. Respondent used the incorrect tax forms to complete the client's 2012 business taxes.
4. In 2015, the Internal Revenue Service (IRS) contacted the client about the incorrect tax form for their business.
5. The client contacted the Respondent and sent him copies of the IRS letters via email. Respondent indicated that he would contact the IRS and answer their concerns, and later confirmed that "it was taken care of."
6. The client received a letter from the IRS dated October 11, 2021, stating that they were turning the client over to a collection agency for nonpayment of the penalties and interests for their 2012 business taxes.
7. The client received a letter from the debt collection agency on October 22, 2021, listing the balance due of \$2,460.62 for the interest and penalty owed by the client.
8. The client contacted the IRS on November 12, 2021, and was told that "there were no back taxes owed, but that the client owed over \$2,000.00 in penalties and interest for using the incorrect tax form for their business and the intentional disregard for failure to file a proper tax return."
9. The client contacted Respondent on November 12, 2021, to have him contact the IRS and Respondent indicated that he had to retrieve the information from an older system, and

he would put together the power of attorney documents and send them to the client to e-sign so he could talk to the IRS.

10. Respondent was contacted by the client on November 19th, December 3rd, December 5th, and December 10th, 2021 via phone calls. Respondent failed to respond.

11. On December 15, 2021, the client sent a letter asking that the Respondent contact him no later than January 7, 2022.

12. Respondent has not responded to the client's letter, calls, or emails.

13. Respondent failed to respond to Board communications on February 23rd and March 21st, 2022 in regard to this matter.

Conclusion of Law

1. The Board has authority to license and regulate certified public accountants and to take disciplinary action as appropriate. Minn. Stat. ch. 326A (2020).

2. Respondent violated Minn. Stat. § 326A.08, subd. 5(a)(1), (3), and (10) (2020) and Minn. R. 1105.1200, 1105.5600, subp. 1(D)(2), and 1105.7800(A) (2021).

3. This stipulation and consent order is in the public interest.

Other Stipulated Provisions

1. This stipulation and consent order must be approved by the Board to become effective.

2. Respondent agrees that the Committee may move the Board *ex parte*, with or without advance notice to the Respondent, to approve this stipulation and consent order.

Respondent understands that the Board may either approve the stipulation and consent order or not approve it. This stipulation and the files, records, and proceedings associated with this matter may be reviewed by the Board in its consideration of the Committee's motion.

3. If approved by the Board, this stipulation and consent order shall be classified as public data. Minn. Stat. § 13.41, subd. 5 (2020).

4. If the Board does not approve this stipulation and consent order, then the matter remains unresolved and the Committee may either seek to negotiate a revised stipulation and consent order with Respondent to present to the Board or issue an order commencing a contested-case hearing before an Administrative Law Judge at the Office of Administrative Hearings. See Minn. Stat. §§ 14.57–.62, 214.10, subd. 2 (2020) (describing administrative hearing process).

5. Respondent agrees that if this case comes before the Board again after it reviews and discusses this stipulation and consent order, Respondent waives any claim that the Board was prejudiced by its review and discussion of this stipulation and consent order and any records relating to it.

6. Respondent acknowledges that they were advised by the Committee of their right to a contested-case hearing in this matter before an Administrative Law Judge, to file exceptions and make argument to the Board after the hearing, and to seek judicial review from any adverse decision rendered by the Board. Respondent hereby expressly waives those rights. Respondent was further advised by the Committee of their right to be represented by counsel and that they knowingly waives that right.

7. Respondent has read, understands, and agrees to this stipulation and has voluntarily signed it. It is expressly understood that this stipulation contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise. If approved by the Board, a copy of the final stipulation and consent order shall be served personally or by first class mail on Respondent. The Board's order shall be effective when it is signed by the Chair of the Board or the Chair's designee.

8. Pursuant to Minn. Stat. § 16D.13 (2020), any civil penalty imposed by this stipulation and consent order shall begin to accrue simple interest in accordance with that section thirty days after the civil penalty is due. Pursuant to Minn. Stat. § 16D.17 (2020), thirty days after any civil penalty imposed by this stipulation and consent order is due, the Board may file and enforce any unpaid portion of the civil penalty as a judgment against Respondent in district court without further notice or additional proceedings.



Martin Alan Johnson, CPA

STATE OF Minnesota

COUNTY OF Wright

This instrument was acknowledged before me on Oct 13, 2022 by Martin Alan Johnson.

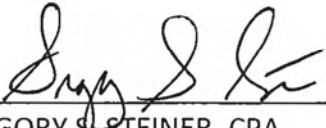




(Signature of notary officer)

My commission expires: Jan 31, 2025

COMPLAINT COMMITTEE



GREGORY S. STEINER, CPA
Chair

Dated: 11/10/22, 2022

CONSENT ORDER

Upon consideration of this stipulation and consent order, and based upon all the files, records, and proceedings herein, all terms of the stipulation and consent order are approved.

Accordingly, the Board orders as follows:

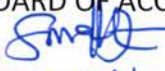
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C. Respondent shall remain law abiding and comply with all statutes and rules within the Board's jurisdiction. See Minn. Stat. ch. 326A (2020) and Minn. R. ch. 1105 (2021).

D. Respondent shall report in writing within ten days any and all violations of this stipulation and consent order to the Board's Executive Director.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY


CHARLES SELCER
FOR:

CHARLES SELCER, CPA
Board Chair

Dated: 12/08/, 2022