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Sam Brownback, Governor

State closes Simpson Automotive for not paying state retail sales and withholding taxes

Dec. 27, 2011

TOPEKA – Tuesday morning, Kansas Department of Revenue agents and Shawnee County sheriff's officers seized the business assets of Simpson Automotive, which owes \$60,668 in state retail sales and income taxes.

Officers seized all known bank accounts, on-site cash, business inventory and personal property assets belonging to owners Richard and Cindy Simpson. The business, at 503 N.W. Lyman Road, Topeka, was sealed closed and the assets will be sold at public auction to pay the taxes owed.

Warrant execution occurs when all other collection attempts, including multiple letters, telephone calls, letters of impending legal action, tax liens filed with the local District Court to secure the debt, previous bank levies and on-site till taps are executed to bring the taxpayer into compliance have been exhausted.

Only after several unsuccessful attempts does the department take the action of seizing assets, which in this instance resulted in the business being closed.

The Revenue Department's standard practice is to continually encourage delinquent taxpayers, who are not lawfully filing or paying taxes - such as sales or withholding - to voluntarily enter into a repayment agreement.

Tax Warrants:

Retail Sales Tax: #11ST26 – Shawnee - Q2, 2005 through Q4 2006, Jan. 2007 through March 2008, Q3, 2009 through Q2 2010 - \$44,899.51

Retail Sales Tax - #11ST000836 – Shawnee - through Q4 2006, Jan. 2007 through March 2008, Q3, 2009 through Q2 2010 - \$44,899.51

Individual Income Tax - #10ST001120 – Shawnee - 2005 through 2007 - \$15,768.20 Total taxes owed: \$60,667.71

*Identical warrants were filed against the business and the owners to try and recover the retail sales tax owed.