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Nick Jordan, Secretary Jeannine Koranda, P.I.O. Sam Brownback, Governor

## State closes Infinity LLC, doing business as Cabaret for not paying state sales, withholding and liquor drink taxes

April 9, 2014

TOPEKA – Tuesday evening, Kansas Department of Revenue civil tax enforcement and Alcoholic Beverage Control agents seized the business assets of Infinity LLC doing business as Cabaret, which owed \$133,045 in state sales, withholding and liquor drink taxes.

Officers seized all known bank accounts, on-site cash, business inventory and personal property assets belonging to owners David L. Hughbank, Christina M. Hughbank and Garry A. Neumann. The auto body shop at 144 S. Highway 69, Pittsburg were sealed closed 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 \*:**

Sales Tax – 13ST132G – Crawford County – Jan. 2010 through March 2013 – \$86,946.94

Sales Tax – Shawnee County – Jan. 2010 through March 2013 – \$86,946.94

Withholding Tax – 13ST131G – Crawford County – Second Quarter 2010 through Fourth Quarter 2010, Annual Reconciliation 2010, First Quarter 2011 through Fourth Quarter 2011, Annual Reconciliation 2011, First Quarter 2012 through Fourth Quarter 2012, Annual Reconciliation 2012 – \$42,109.24

Withholding Tax – 13ST005072 – Shawnee County – Second Quarter 2010 through Fourth Quarter 2010, Annual Reconciliation 2010, First Quarter 2011 through Fourth Quarter 2011, Annual Reconciliation 2011, First Quarter 2012 through Fourth Quarter 2012, Annual Reconciliation 2012 – \$42,109.24

 $\label{eq:Liquor Drink Tax-13ST133G-Crawford County-June 2010 through Sept.\ 2010,\ Dec.\ 2010-\$3,988.65$ 

 $\label{eq:Liquor Drink Tax-13ST005071-Shawnee County-June 2010 through Sept. 2010, Dec. \ 2010 \$3,988.65$ 

**Tax Warrant Totals:** \$133,044.83

\*The tax warrants in Shawnee and Crawford counties are for duplicate amounts.