



## Legislation Details (With Text)

**File #:** 19-0182      **Version:** 1      **Name:** Sales Tax Audit  
**Type:** Ordinance      **Status:** Adopted  
**File created:** 5/30/2019      **In control:** Call for Special Meeting  
**On agenda:** 7/23/2019      **Final action:** 7/23/2019  
**Title:** Ordinance amending FY18-19 Budget Sales Tax Audit  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. 18-19 Sales Tax Audit

Date	Ver.	Action By	Action	Result
7/23/2019	1	Call for Special Meeting	adopted on third reading	
7/9/2019	1	City Council	approved on second reading	
6/11/2019	1	City Council	approved on first reading	
6/4/2019	1	Work Session	recommended for approval	

### Ordinance amending FY18-19 Budget Sales Tax Audit

**SUMMARY:** City of Crossville was selected by the State of Tennessee Department of Revenue for a sales tax audit. This audit period was December 1, 2015 through December 31, 2018. The process took approximately 9 months to complete. The auditors found two issues to be addressed, sprinkler heads and industrial manufacturing.

The first determination was that the City was not charging tax on sprinkler heads, nor has it ever. This will be corrected by charging taxes in the future.

The second determination was that the City charged companies for industrial manufacturing sales tax or exempted these companies without an exemption form.

The amount assessed to the City for these issues is \$12,541.16. The total including interest is \$14,645.45, which will require a budget amendment.

**BUDGET ACCOUNT:**      Debit 413-37991 Bad Debt  
   Credit 413-28000 Net Position

**NECESSARY COUNCIL ACTION:** Approve budget amendment