



City of Crossville

392 North Main Street
Crossville, Tennessee 38555

Legislation Text

File #: 19-0182, **Version:** 1

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