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## **State closes Astro Motel for not paying state sales, withholding and transient guest taxes**

Oct 3, 2011

TOPEKA – Monday morning, Kansas Department of Revenue agents and Reno County Sheriff's officers seized the business assets of Astro Motel, which owed \$156,219 in state sales, withholding and transient guest taxes.

Officers seized all known bank accounts, on-site cash, business inventory and personal property assets belonging to owners Jayanti D. Patelgalel and Lilavatei J. Patel. The motel, at 15 E. 4<sup>th</sup> Ave. Hutchinson, 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:**

State sale tax:

06ST164 – Reno County - Aug. 2004 to Sept. 2005 - \$11,109.10

09ST59 - Reno County – Oct. to Dec. 2005, Jan. to Dec. 2006, Jan. to Dec. 2007, Jan. to May 2008 - \$30,222.69

11ST175 - Reno County – June 2008, Feb. 2009, Sept. 2009, Dec. 2009, April 2009, May 2009, Nov. 2009, Jan. 2010, Feb. 2010, March 2010, Aug. 2010, Sept. 2010 to May 2011, May-2011 - \$58,319.80

**Total state sales tax owed: \$99,651.59**

**Withholding taxes:**

11ST173 - Reno County - Annual Reconciliation 2009, Annual Reconciliation 2010 - \$1,000.00

**Total withholding taxes owed: \$1,000**

**Transient guest tax:**

06ST166 - Reno County – June 2004 to Nov. 2005 - \$14,803.89

11ST174 - Reno County - Dec. 2005 to Jan. 2011 - \$40,763.50

**Total transient guest tax owed: \$55,567.39**

**Total taxes owed: \$156,218.98**