June 24, 2013

TOWN OF RAYVILLE

BATON ROUGE -- The Town of Rayville erroneously collected $516,879 of a sales tax that expired July 31, 2012, according to an independent audit of the municipality released Monday by Legislative Auditor Daryl Purpera's office.

The audit, conducted by the Shreveport certified public accounting firm of Heard, McElroy and Vestal, LLP, said that a portion of the town's 1.5 percent sales tax lapsed July 31, 2012, but the Richland Parish Tax Commission continued to collect and disburse the sales tax to the town.

The commission collects all sales taxes in Richland Parish and distributes them to various towns and other public entities in the parish.

The audit report stated that the tax was scheduled to expire last July. The tax was not renewed before the expiration, but the commission continued to collect the tax and remit the revenues to Rayville.

The audit said that Rayville officials anticipated renewal of the sales tax as of July 1 this year.

In May of this year, Rayville voters approved 160-69 a 1 percent sales tax to be imposed for 10 years starting July 1.

The audit said that taxpayers can request reimbursement for the sales taxes improperly collected for three years. After that time, the town can retain permanent possession of the revenues.

For more information, contact:
Daryl G. Purpera, CPA, CFE
Legislative Auditor
225-339-3800