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## **State closes Nexus Logistics for not paying state sales, income and withholding taxes**

July 19, 2011

TOPEKA - Tuesday morning, Kansas Department of Revenue agents and Alcoholic Beverage Control officers seized the business assets of Nexus Logistics, which owes \$2.9 million in state sales, income and withholding taxes.

Officers seized all known bank accounts, on-site cash, business inventory and personal property assets belonging to owner Prakash L. Potluri. The shipping company, at 712 N. Main, Newton, 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:**

### **Withholding Taxes:**

Withholding tax - 2011ST9 – Harvey County - Annual Rec 2008, Dec. 2009, Jan. to Aug 2010 - \$1,872.86

**Total withholding taxes owed: \$1,872.86**

### **Sales taxes:**

Sales tax - 2011ST10 – Harvey County – Aug. 2008, Dec. 2008, Jan. to Dec. 2009, Jan. to Aug. 2010 - \$11,780.44

**Total sales taxes owed: \$11,780.44**

**Individual income taxes:**

Income - 09ST123 – Harvey County – Tax Years 2003, 2004, 2006, 2007 - \$2,886,199.01

**Total individual income taxes: \$2,886,199.01**

**Total taxes owed: \$ 2,899,852.31**