

# Alabama Department of Revenue

News Release

Nov. 27, 2007

## Oxford Resident Sentenced on State and Local Tax Charges

*Gadsden*—An Etowah County businessman was sentenced Monday, Nov. 19, 2007, by Etowah County District Judge William D. Russell Jr. following a guilty plea to multiple state and local tax charges filed by the Alabama Department of Revenue.

Robert Francis McMahon, 55, of 430 Hamric Drive East, Oxford, Ala., pleaded guilty to six counts of failure to file state and local sales tax returns to the Alabama Department of Revenue.

Judge Russell sentenced McMahon to 365 days in jail, suspended, for each count and ordered McMahon to pay full restitution for all unpaid Alabama and Rainbow City sales taxes collected from customers. Judge Russell also ordered McMahon to file all delinquent and current sales tax returns and assessed McMahon with court costs totaling \$1,009.

McMahon, owner of Budget Truck Rental and former owner of The Consignment Cottage, located in Rainbow City, Ala., failed to file state and Rainbow City sales tax returns and report all taxable sales to the Alabama Department of Revenue for monthly reporting periods covering portions or all of tax years 2001, 2002, and 2003 for either state or local sales taxes. McMahon faced charges brought by the ADOR for both Alabama and Rainbow City sales taxes since the ADOR provides the local tax administration and collection service for the city.

State sales tax revenues are earmarked for the State Education Trust Fund. Local sales tax revenues are earmarked by the local governing authority for local funds.

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