



Auditor of Public Accounts
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Ball Releases Audit of Hickman County Sheriff's Tax Settlement

FRANKFORT, Ky. – State Auditor Allison Ball today released the audit of the sheriff's settlement – 2022 taxes for Hickman County Sheriff Ben Natividad. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the sheriff's settlement presents fairly the taxes charged, credited, and paid in accordance with accounting principles generally accepted in the United States of America. The sheriff's settlement is prepared on the regulatory basis, which is described in the auditor's opinion letter. Regulatory basis reporting for the sheriff's settlement is an acceptable reporting methodology, and this reporting methodology is followed for all 120 sheriff settlements in Kentucky.

The sheriff's financial statement fairly presents the taxes charged, credited, and paid for the period September 1, 2022 through August 31, 2023 in conformity with the regulatory basis of accounting.

The audit contains the following findings:

The Hickman County Sheriff omitted \$31,916 of franchise tax collections from the tax settlement: The sheriff's tax settlement was misstated by \$31,916, due to the sheriff not reviewing the settlement to determine its accuracy.

We recommend the sheriff review annual tax settlements and compare amounts reported to monthly tax reports and bank records to ensure the report is accurate and complete.

Sheriff's Response: Monies were disbursed correctly, however, totals on the report were incorrect. The report totals have been changed to correctly reflect the monies disbursed.

The Hickman County Sheriff did not collect the proper amount of franchise taxes for the school district: The 2022 tangible franchise tax bills prepared for the school district were calculated using the wrong tangible tax rate. Once the county clerk discovered the error, supplemental bills were prepared and mailed to the applicable taxpayers. The supplemental bills totaled \$26,534. The sheriff did not review franchise tax bills for accuracy before mailing them.

We recommend the sheriff review all franchise tax bills to ensure the proper assessments are billed at the proper rates.

Sheriff's Response: The incorrect amount was discovered by the clerk's office. They corrected the amount and re-billed for the correct amounts.

The sheriff's responsibilities include collecting property taxes, providing law enforcement, and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

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