

Arkansas

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

December 2, 2016

Legislative Joint Auditing Committee
Senator Jimmy Hickey, Jr., Co-Chair
Representative Mary Broadaway, Co-Chair
500 Woodlane Street, Suite 172
Little Rock, AR 72201

Members of the Legislative Joint Auditing Committee:

This letter reports law enforcement agencies' calendar year 2015 compliance with the asset seizure and forfeiture requirements of Ark. Code Ann. § 26-57-247. Arkansas Code (Code) provides forfeiture procedures for tobacco products upon which the full amount of excise tax due was not paid or which were possessed or sold by an unlicensed wholesaler or retailer. In addition, the property and money used to facilitate a criminal violation of Code for the manufacture or distribution of contraband tobacco products may be seized and forfeited to the State.

According to the attached letter from Arkansas Tobacco Control dated February 9, 2016, two tobacco-related asset seizures occurred in calendar year 2015. Our review of documentation related to the 2015 seizures found law enforcement agencies acted in compliance with Code.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in blue ink that reads "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

RAN:wds
Attachment

Report ID: SPSA00315



Asa Hutchinson
Governor

ARKANSAS TOBACCO CONTROL

101 E. Capitol Ave., Suite 401
Little Rock, AR 72201
Phone: 501-682-9756
Fax: 501-682-9760
Web Address: <http://www.atc.ar.gov>



Steve Goode
Director

February 9, 2016

Division of Legislative Audit
ATTN: Doug Spencer
Room 172, State Capitol Bldg.
Little Rock AR 72201-1099

Re: Report of Forfeitures received under A.C.A. §26-57-247 for Calendar Year 2015

Dear Mr. Spencer:

This Agency received only no reports from any law enforcement agency or prosecuting attorney on forfeitures made under A.C.A. §26-57-247 for calendar year 2015 other than the reports made by our own agents which are detailed below with the accompanying confiscation reports.

- Report No. 2015-001-001: Seized \$6,596.00 in cash from Ahmed Almadrahi related to the purchase, transportation and sale of untaxed tobacco products. ATC did not receive a copy of the Forfeiture Complaint from the prosecuting attorney's office but was able to obtain it and other pleadings which are attached to Report No. 2015-001-001. The seized cash is located in an ATC safety deposit box in First Security Bank in North Little Rock.
- Report No. 2016001002: Seized \$40,459 in cash from Jung Doo Choi and Eun Hee Choi related to the purchase, transportation and sale of untaxed tobacco products. A forfeiture action was filed by the prosecuting attorney's office but ATC has not received any pleadings nor are they any available online. The seized cash is located in an ATC safety deposit box in First Security Bank in North Little Rock.

Sincerely,

A handwritten signature in black ink, appearing to read "Roland E. Darrow II".

Roland E. Darrow II
ATC Attorney

enclosures
cc: file w/ enclosures