



# Staff Report

August 11, 2020

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TO: Honorable Mayor and Town Council  
FROM: Roger Carroll, Finance Director  
DATE: August 5, 2020  
RE: Authorization to Examine Sales Tax Records

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## Recommendation

Adopt resolution updating those authorized to examine sales tax records at the California Department of Tax and Fee Administration.

## Issue Statement and Discussion

The California Department of Tax and Fee Administration (CDTFA), formerly the State Board of Equalization, requires a resolution from the Town Council naming the staff positions, by title, who can have access to sales tax data. When this was last done in 1999, the Finance Director's title was listed as "Accountant."

In order for Town staff to have continuing access to sales tax data, we need to submit a new resolution with the current position titles.

## CEQA Requirements

CEQA does not apply to reviewing financial data.

## Financial and/or Policy Implications

Failure to provide this resolution could limit staff's ability to collect and analyze important data resulting in missed or uncollected revenues.

## Attachments

- A. Resolution Authorizing the Examination of Sales and Use Tax Records.

TOWN OF LOOMIS

RESOLUTION NO. 20-

A RESOLUTION AUTHORIZING THE EXAMINATION OF SALES AND USE TAX RECORDS

**WHEREAS**, pursuant to Ordinance No. 266 of the Town of Loomis, hereinafter called Town and Section 7270 of the Revenue and Taxation Code, the Town entered into a contract with the California Department of Tax and fee Administration to perform all functions incident to the administration and operation of the Sales and Use Tax Ordinance; and

**WHEREAS**, the Town deems it desirable and necessary for authorized representatives of the Town to examine confidential sales and use tax records of the California Department of Tax and fee Administration pertaining to sales and use taxes collected by the California Department of Tax and fee Administration for the Town pursuant to that contract; and

**WHEREAS**, Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of California Department of Tax and fee Administration records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the sales and use tax records of the California Department of Tax and fee Administration;

**NOW, THEREFORE IT IS RESOLVED AND ORDERED AS FOLLOWS:**

**Section 1.** That the Town Manager, Finance Director, Town Clerk or other officer or employee of the Town designated in writing by the Town Manager to the State Board of Equalization (hereafter referred to as Board California Department of Tax and fee Administration is hereby appointed to represent the Town with authority to examine sales and use tax records of the California Department of Tax and fee Administration pertaining to sales and use taxes collected for the Town by the California Department of Tax and fee Administration pursuant to the contract between the Town and the Board. The information obtained by examination of California Department of Tax and fee Administration records shall be used only for purposes related to the collection of the Town's sales and use taxes by the California Department of Tax and fee Administration pursuant to the contract.

**\*Section 2.** That the Town Manager, Finance Director, Town Clerk or other officer or employee of the Town designated in writing by the Town Manager to the California Department of Tax and fee Administration is hereby appointed to represent the Town with authority to examine those sales and use tax records of the California Department of Tax and fee Administration for purposes related to the following governmental functions of the Town:

- a) Budget Planning
- b) Economic Development
- c) Transportation Planning

The information obtained by examination of California Department of Tax and fee Administration records shall be used only for those governmental functions of the Town listed above.

**\*Section 3.** That HdL Companies is hereby designated to examine the sales and use tax records of the California Department of Tax and fee Administration pertaining to sales and use taxes collected for the Town by the Board. The person or entity designated by this section meets all of the following conditions:

- a) has an existing contract with the Town to examine those sales and use tax records;

- b) is required by that contract to disclose information contained in, or derived from those sales and use tax records only to the officer or employee authorized under Section 1 (or Section 2) of this resolution to examine the information;
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in or derived from those sales and use tax records after that contract has expired.

**BE IT FURTHER RESOLVED** that the information obtained by examination of California Department of Tax and fee Administration records shall be used only for purposes related to the collection of Town's sales and use taxes by the California Department of Tax and fee Administration pursuant to the contracts between the Town and California Department of Tax and fee Administration.

PASSED AND ADOPTED this 11<sup>h</sup> day of August 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Mayor

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\_\_\_\_\_  
Town Clerk