

REPORT TO CITY COUNCIL

DATE: OCTOBER 23, 2013
TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: GREG RAMIREZ, CITY MANAGER
BY: CHRISTY PINUELAS, DIRECTOR OF FINANCE
SUBJECT: ADOPT RESOLUTION 13-1721; AUTHORIZING EXAMINATION OF SALES, USE AND TRANSACTIONS TAX RECORDS

Ordinance No. 3 of the City of Agoura Hills, California (City), authorized the City to enter into a contract with the State Board of Equalization (BOE) to perform all functions incident to the administration and collection of local sales, use and transactions taxes. In August the City appointed a new sales tax consultant, Hinderliter, de Llamas Associates (HdL).

Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of BOE records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales, use and transactions tax records of the Board. In order to have access to detailed information on the local sales, use and transactions taxes collected, the City needs to adopt a resolution identifying who is designated for such access.

The attached resolution will authorize the City Manager, or his/her designee, the authority to examine the information from the BOE. It will also provide access to the information for the City's sales tax consultant, HdL.

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 13-1721, authorizing examination of sales, use and transactions tax records.

Attachment: Resolution No. 13-1721

RESOLUTION NO. 13-1721

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, AUTHORIZING EXAMINATION OF SALES, USE AND TRANSACTIONS TAX RECORDS

WHEREAS, pursuant to Ordinance Number 3, the City of Agoura Hills, California, (the City) entered into a contract with the State Board of Equalization to perform all functions incident to the administration and collection of local sales, use and transactions taxes; and

WHEREAS, the City Council of the City deems it desirable and necessary for authorized representatives of the City to examine confidential sales, use and transactions tax records of the State Board of Equalization pertaining to sales, use and transactions taxes collected by the Board for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales, use and transactions tax records of the Board.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, DOES RESOLVES AS FOLLOWS:

Section 1. That the City Manager, or other officer or employee of the City designated in writing by the City Manager to the State Board of Equalization (hereafter referred to as Board), is hereby appointed to represent the City of Agoura Hills, California, with authority to examine sales, use and transactions tax records of the Board pertaining to sales, use and transactions taxes collected for the City by the Board pursuant to the contract between the City and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales, use and transactions taxes by the Board pursuant to that contract.

Section 2. That the City Manager, or other officer or employee of the City designated in writing by the City Manager to the Board, is hereby appointed to represent the City with authority to examine those sales, use and transactions tax records of the Board, for purposes related to the following governmental functions of the City:

- (a) City administration

- (b) Revenue management and budgeting
- (c) Community and economic development
- (d) Business license tax administration

The information obtained by examination of Board records shall be used only for those governmental functions of the City listed above.

Section 3. That Hinderliter, de Llamas & Associates is hereby designated to examine the sales, use and transactions tax records of the Board pertaining to sales, use and transactions taxes collected for the City by the Board. The person or entity designated by this section meets all of the following conditions:

- (a) Has an existing contract with the City to examine those sales, use and transactions tax records;
- (b) Is required by that contract to disclose information contained in, or derived from, those sales, use and transactions tax records only to the officer or employee authorized under Sections 1 or 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; and
- (d) Is prohibited by that contract from retaining the information contained in, or derived from those sales, use and transactions tax records, after that contract has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales, use and transactions taxes by the Board pursuant to the contract between the City and the Board and for purposes relating to the governmental functions of the City listed in section 2 of this resolution.

PASSED, APPROVED, AND ADOPTED this 23rd day of October, 2013, by the following vote to wit:

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

Denis Weber, Mayor

ATTEST:

Kimberly M. Rodrigues,
City Clerk