



BOARD OF EQUALIZATION

**CUSTOMER SERVICES AND ADMINISTRATIVE
EFFICIENCY COMMITTEE MEETING MINUTES**

HONORABLE BETTY T. YEE, COMMITTEE CHAIR

450 N STREET, SACRAMENTO

SEPTEMBER 23, 2014, 10:00 A.M.

ACTION ITEMS & STATUS REPORT ITEMS**Agenda Item No: 1****Title:** Compliance Program Update**Issue/Topic:**

Staff will present an update on the sales and use tax compliance program.

Committee Discussion:

Committee Chair Betty T. Yee opened the Committee meeting by introducing the agenda item and asked staff to make its presentation.

Mr. Jeff McGuire, Deputy Director, Sales and Use Tax Department, introduced Mr. Wayne Mashihara, Chief of Field Operations, Sales and Use Tax Department.

Mr. Mashihara stated that the Sales and Use Tax Department is committed to meeting the needs of its customers, and maximizing voluntary compliance. He discussed the recent improvements made to the Sales and Use Tax compliance program area that have increased payments from taxpayers, and reduced the number of delinquent accounts and amounts owed.

Mr. Mashihara also provided an overview of future planned compliance improvement efforts, including online account maintenance, new permit orientation consultations, geospatial information system account registration, and the Treasury Offset Program.

Committee Chair Yee thanked Mr. Mashihara and the Sales and Use Tax Department for their efforts, particularly as it relates to becoming more efficient. She expressed appreciation that accounts receivable amounts are decreasing, and that the agency is making positive progress to lower the amount of delinquent accounts.

Board Member Runner expressed concerns over the comments he has heard from some district staff regarding the implementation of these new compliance efforts, and that comments and concerns from the Taxpayer Rights Advocate's office were not included in the presentation.

Mr. McGuire stated that the agency does not want to violate any taxpayers' rights, and that all appropriate procedures are followed. He further stated that he meets with Mr. Gilman, the Taxpayer Rights Advocate, each month, and Mr. Gilman has not communicated to him that there have been any statewide increases in calls to the Taxpayer Rights Advocate's office due to these compliance efforts.

Board Member Runner asked if staff have made any measurements of the effect on the treatment of taxpayers, and stated that these compliance efforts should be managed in each district office. He also inquired about the pending Service Employees International Union employee questionnaire.

Mr. McGuire stated that no studies had been completed, and that he has been attempting to schedule a meeting with representatives of the Service Employees International Union. He further stated that some employees have expressed concerns.

Committee Chair Yee stated that some district offices are doing better than others at implementing these efforts, and that there should be an opportunity to share best practices. She further stated that First District field offices have embraced these efforts with good success, and the agency should strive for effective ways to work with taxpayers while achieving compliance goals. She expressed support for consultation with SEIU to provide an opportunity for input from rank and file.

Board Member Horton thanked Committee Chair Yee for her work in this area, commended staff for their efforts, and stated that there can be challenges with any new process. He stated that compliance work has not changed much, but now efforts are being measured in a different manner. He further stated that staff should broaden communications with taxpayers, and it would be helpful to document the positive impacts these efforts may be having on agency employees.

Board Member Steel stated that she was pleased that accounts receivable balances are dropping, but expressed concern about taxpayer rights. She further stated that some staff is concerned with the additional paperwork and staff time required for these new compliance efforts. Additionally, she requested more outreach efforts be made to taxpayers who speak languages other than English.

Committee Chair Yee thanked staff for working with rank-and-file employees, stated the agency is moving in the right direction, and that she is looking forward to regular updates on this matter.

Agenda Item No: 2

Title: 2015 Enterprise Education and Outreach Plan

Issue/Topic:

Staff will provide an update to the Board on the development of the BOE Education and Outreach Plan for 2015.

Committee Discussion:

Mr. Jeff McGuire, Deputy Director, Sales and Use Tax Department, introduced Mr. Trey Luzzi,

Manager, Outreach Services Division.

Mr. Luzzi provided an overview of the Board of Equalization 2015 Enterprise Education and Outreach Plan. He stated that staff employed new methods, including data analysis and surveys, to develop the plan. When completed, the plan will target certain key industries with a history of compliance challenges. The plan will also engage agency partners and the general public with new and expanded methods including telephone townhalls, webinars, a new permit orientation program, new reference tools, and expanded online resources.

Board Member Runner thanked Mr. Luzzi for the impressive work that his staff has done to execute high quality outreach events in District Two.

Board Member Horton encouraged staff to incorporate education efforts regarding significant changes in the law into this outreach plan. He stated that the agency can help taxpayers to lower their liabilities, which can lead to the creation of new jobs and tax revenue. He further stated that the Board of Equalization helps to oversee issues related to affordable housing, fire prevention, and water, and therefore, the agency should provide appropriate outreach to stakeholders related to those issues.

Committee Chair Yee thanked staff for developing new Web-based tools. She directed staff to form additional partnerships with ethnic media. She added that many of the taxpayers the plan needs to reach are audiences of these outlets.

Agenda Item No: 3

Title: Update on OPEN BOE Data Portal

Issue/Topic:

Staff will present an update on the accomplishments and plan activities.

Committee Discussion:

Ms. Brenda Fleming, Chief Information Officer and Deputy Director of the Technology Services Department introduced Ms. Michele Pielsticker, Chief, Research and Legislative Division.

Ms. Fleming stated since OPEN BOE launched in May 2014, the initial feedback has been favorable and has helped guide future improvements. She further stated that the agency desires that OPEN BOE become a service of value to our stakeholders.

Ms. Pielsticker shared that agency staff are engaging various external stakeholders and internal users in a focus group process. The input received will help inform technology and user interface improvements to OPEN BOE, and the process will include in-person meetings and events, phone calls, surveys, social media, and various promotional materials.

Ms. Pielsticker indicated that focus group feedback will be gathered through the end of calendar year 2014 and between January and March 2015, staff will refine OPEN BOE data and features.

Ms. Fleming previewed plans to build upon the successful OPEN BOE launch in May 2014. She

also stated that agency staff is currently creating an inventory of data eligible for public access, and developing new processes to ensure the proper handling of that data to support the goals of OPEN BOE.

Board Member Horton complimented staff on their promotional materials, and provided suggested changes. He recommended OPEN BOE become a one-stop-service that easily directs taxpayers to the Franchise Tax Board and Employment Development Department when needed. He suggested that training for OPEN BOE be made available to agency staff at upcoming training events.

Committee Chair Yee thanked staff for their efforts, and stated that she is pleased with the progress of OPEN BOE. She further stated that open data is a direction that California will continue to move toward, that ongoing feedback and stakeholder engagement will improve OPEN BOE, and the Board of Equalization is being looked at as a model by others. She concluded by commenting the agency has a lot of non-confidential data that should be publicly available.

Committee Chair Yee adjourned the meeting.

Committee Action/Recommendation/Direction:

Committee Materials

None

Approved: 

Betty T. Yee, Committee Chair



Cynthia Bridges, Executive Director

At the 9/23/14 Board Meeting



Joann Richmond, Chief
Board Proceedings Division