



BOARD OF EQUALIZATION

**CUSTOMER SERVICES AND ADMINISTRATIVE
EFFICIENCY COMMITTEE MEETING MINUTES**HONORABLE BOARD MEMBER BILL LEONARD, COMMITTEE CHAIR
450 N STREET, SACRAMENTO

DECEMBER 14, 2004, 9:30 A.M.

ACTION ITEMS & STATUS REPORT ITEMS**Agenda Item No:** Tax Amnesty Status Report**Title:** Tax Amnesty Status Report**Issue/Topic:**

Senate Bill 1100 (Chapter 226, Statutes of 2004) was signed into law on August 16, 2004, authorizing a program of tax amnesty for sales and use taxes.

Committee Discussion:

Board Member Bill Leonard opened the Customer Services and Administrative Efficiency Committee and welcomed staff.

Ms. Jerri Dale, Chief, Customer and Taxpayer Services Division provided an overview of the Tax Amnesty Status Report. The Program provides taxpayers the opportunity to report and pay sales and use taxes for eligible reporting periods (beginning prior to January 1, 2003) that were not reported or to pay tax liabilities that were reported but which remain unpaid. The Tax Amnesty Program runs from February 1, 2005 through March 31, 2005. Taxpayers who are eligible but do not participate are subject to substantial penalties.

Mr. Jeff McGuire, Tax Policy Manager recapped the recent public meetings held in Culver City on December 7, 2004, and in Sacramento on December 9, 2004. Over 50 individuals attended the meetings including representatives from law firms, industry groups, major accounting firms, and tax associations. Members of the press also attended. Participants indicated they would be reaching out to their clients to inform and advise regarding the amnesty program. Some follow up inquiries have been received and staff is preparing responses to those questions.

Board Member John Chiang asked what issues were raised in the meetings. Mr. McGuire indicated that the primary issues related to the 10-year statute of limitations, penalties, credits and deficiencies, and audits in process.

Richard Dewberry, Esq. presented the concerns of Bewley, Lasseleben and Miller, LLP. He commended staff for their efforts implementing the Tax Amnesty Program. He requested that the Board direct staff to 1) interpret Section 6592 so as not to penalize taxpayers unfairly; 2) fully assess how credits and deficiencies will be handled and how offsets are to be made; and, 3) address open waivers under the 10-year statute of limitations.

