



SEN. GEORGE RUNNER (RET.)

MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

June 4, 2014

Senator Lois Wolk, Chair
Senate Committee on Governance and Finance
State Capitol, Room 408
Sacramento, CA 95814

RE: ASSEMBLY BILL 2009 (WEBER) – BOE: ADMINISTRATION: MANAGED AUDIT PROGRAM ▪ SUPPORT ▪

Dear Senator Wolk,

I am writing to urge your support of Board of Equalization-sponsored Assembly Bill 2009 (Weber), which extends the Managed Audit Program (MAP) authority that currently exists under the Sales and Use Tax program to various special tax and fee programs administered by the BOE.

Managed audits are essentially supervised self-audits. Under the existing MAP, the BOE is authorized to determine which taxpayer accounts are eligible to participate in a MAP and to enter into MAP Participation Agreements with eligible taxpayers. The program offers many advantages including the ability to provide early resolution of taxability issues, fewer protested audits, and improved cooperation between the BOE and taxpayers. It also allows the BOE to reallocate audit resources to other audits or other revenue generating activities and offers participating taxpayers a 50% interest reduction on any tax liability disclosed as a result of the managed audit.

Despite its advantages, the MAP is currently authorized only under Sales and Use Tax Law. Therefore, I am pleased to support AB 2009 and urge your “aye” vote when it is heard before your committee on June 11.

Sincerely,

GEORGE RUNNER
Second District

cc: Assemblymember Weber
Scott Chavez, Consultant, Senate Republican Office of Policy