

**AUDIT PAYMENT INFORMATION**

The audit liability amounts reflected in the enclosed audit report are the auditor's proposed recommendation for determination. If you have already received a *Notice of Determination* based on a portion of the proposed audit recommendation, you may receive another *Notice of Determination* covering the remaining audit period(s). The proposed audit recommendation is subject to review and approval by our staff. Considering the time necessary for this review, several weeks may pass before you receive your additional *Notice of Determination*. During this time additional interest will accrue on the amount of tax due. Please be aware that the determinations are for different time periods of the audit and that the additional determination does **not** supersede the previous determination(s).

**Interest continues to accrue monthly on any unpaid taxes.** Interest does not accrue on the interest or penalty portions of the audit liability. In order to stop the accrual of additional interest, you may, at any time, pay all or part of the proposed audit liability. This payment may be made even if you disagree with the audit findings. The primary advantage of making an advance payment is to stop the accrual of additional interest. Additional interest will only accrue on the unpaid tax balance. Currently, under Sales and Use Tax Law, additional interest accrues **on the first day of each month**. For other taxes/fees, interest accrues at different times.

Advance payments may be sent to your local Board of Equalization district office, or to the Board's Headquarters office at the following address:

Cashier Unit  
Board of Equalization  
450 N Street MIC:13  
PO Box 942879  
Sacramento, CA 94279-0013

To make an advance payment of a proposed audit liability, please include the following information with your remittance:

- Your permit number with the Board.
- Your name as it appears on your permit.
- The statement "Payment on audit not yet billed."
- The period covered by the audit report: (Example "from 1-1-99 to 12-31-01")

Payments for sales and use tax liabilities must be postmarked no later than the last day of the month to prevent additional interest from accruing. To prevent the accrual of additional interest for other tax and fee programs, payments for audit liabilities must be postmarked no later than the day of the month that the returns are normally due. If you wish to make an advance payment towards a proposed audit liability, please **do not** include such payment with your regular tax returns or prepayments.

For your convenience, you may complete the cut-off form provided below and enclose it with your payment. Remember, advance payments may be in any amounts: the entire liability, only the tax portion, or only the amount with which you agree. Please note that paying your audit liability will not in any way affect your right to protest the portions of the audit with which you do not agree. Nor will it affect your right to receive a refund resulting from a future reduction in your audit liability.

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**PAYMENT FOR AUDIT PARTIALLY BILLED**

\_\_\_\_\_  
NAME

\_\_\_\_\_  
PERMIT NO.

\_\_\_\_\_  
AUDIT PERIOD

\_\_\_\_\_  
AMOUNT ENCLOSED