

STATEWIDE COMPLIANCE AND OUTREACH PROGRAM

Seller's Permit Required

A California seller's permit is necessary to sell or lease merchandise in California; however, some business owners are not aware of this requirement. When businesses operate without the proper permits or licenses, they have an unfair advantage over those who follow the law.

SCOP Visits Educate

As part of the [Statewide Compliance and Outreach Program](#) (SCOP), SCOP representatives conduct door-to-door visits to individual businesses to educate business owners regarding their tax responsibilities, certify businesses have the required state tax and fee permits they need, and confirm businesses have a city or county business license, if one is required. In addition, representatives verify/update BOE account information and review business operations compared to returns filed to provide guidance on proper reporting.

If the SCOP representative finds that a business is reporting its taxes incorrectly, they will advise the business to file amended returns; or, if the business has overpaid taxes they will direct the business owner in filing a claim for refund. In some instances, the business may be referred for an audit.

The visits are intended to educate business owners and help keep our tax system fair by making sure all business owners are properly permitted and licensed, and follow the law by paying the correct amount of taxes due.

SCOP representatives do not visit residential businesses; however, if you would like more information or have any questions, representatives are available by phone or in person at a local district office.

Business Location Visits

When SCOP representatives visit businesses, they will:

- Verify required permits and licenses,
- Provide registration information for unregistered businesses,
- Update BOE account information for any changes,
- Educate business owners and answer questions about relevant laws, regulations, and reporting requirements,
- Perform a cursory review of business operations compared to reported amounts to provide guidance on proper reporting, and
- Provide information about business owners' legal rights.

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Seller's Permits and More

Businesses that sell or lease merchandise, vehicles, or other goods in California must have a California seller's permit and pay sales and use tax. This is true whether the business is operated by an individual or another business entity, for example a corporation, partnership, or Limited Liability Company. Both wholesalers and retailers must obtain a permit. California seller's permits are free to obtain.

For some businesses, a seller's permit is not enough. They may also need to register for other state tax and fee programs. For example, cigarette retailers need a special license to sell cigarettes. For a full list of BOE-administered programs, visit the BOE website at www.boe.ca.gov/info/reg.htm.

Businesses not otherwise required to register with the BOE for sales and use tax with at least \$100,000 in annual gross receipts from business operations are required to register with the BOE and annually report and pay use tax directly to the BOE as "qualified purchasers." For additional information, see publication 126, *Mandatory Use Tax Registration for Service Enterprises*, available from the BOE website.

Keeping Records

It is vitally important that you keep accurate and complete records. California law requires that you keep sales and purchase records, receipts, resale certificates, and normal books of account. Records must be kept for at least four years.

For more information

If you have any questions about these SCOP visits, visit www.boe.ca.gov/sutax/SCOP_Overview.htm.

For more information about specific tax and fee programs, Board Member contact information, and a list of BOE [field offices](#), visit www.boe.ca.gov, or call the BOE Customer Service Center at 1-800-400-7115 (TTY:711).

Taxpayers' Rights Advocate

If you would like to know more about your rights as a taxpayer, please see [publication 70](#), *Understanding Your Rights as a California Taxpayer*, or contact the [Taxpayers' Rights Advocate Office](#) for help at 1-916-324-2798 (or toll-free at 1-888-324-2798).

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