

*Multifamily
Housing*



Southside Park Cohousing, Sacramento

Meeting Taxpayer Needs



The Board of Equalization's commitment to efficient and responsive taxpayer service helps ensure that businesses of all kinds have the information they need to properly comply with California's complex and changing tax laws. The agency offers a full range of options tailored to address the diverse needs of the state's business population—from automated 24-hour services to personal assistance with individual tax compliance questions.

Expanding Taxpayer Services

The Customer and Taxpayer Services Division, established in 1995 under the leadership of the members of the Board, coordinates the delivery of quality services to taxpayers, tax practitioners, and the general public. This year the Board expanded the number and quality of available services and continued to take advantage of evolving communications technology.

Information Center: 800-400-7115

In 1998-99, the Board's Information Center continued to provide centralized service to taxpayers and tax practitioners. Nearly 816,000 calls were received during the year, a 7.4 percent increase over the call volume of the previous year. Wait time for calls averaged just over 90 seconds. Fully 50 percent of callers selected automated or recorded options.

Interactive Seller's Permit Verification Services

The Board began to offer automated 24-hour Internet and telephone seller's permit verification services in the summer

of 1998. In 1998-99, the new systems handled nearly 240,000 seller's permit verification requests. The Information Center received more than 118,000 requests, and the interactive Internet application processed more than 121,600 requests.

Internet Site: www.boe.ca.gov

This year, the agency continued to expand the information available on its World Wide Web site and added several features to make the site more useful. Highlights include Internet e-mail for general, nonconfidential tax questions, credit card payment and electronic fund transfer information, Board committee schedules and agendas, and a Sales and Use Tax Seminar schedule. In addition, the Board's *Audit Manual, Compliance Policy and Procedures Manual, 1998-2003 Strategic Plan*, and *1997-98 Annual Report* were made available on the Board's Web site.

Taxpayer Education

Sales and use tax classes. During the year, more than 3,000 taxpayers took advantage of basic sales and use tax and tax return preparation classes offered by Board field offices.

Speakers bureau. The Board's sales and use tax field offices continued outreach to business groups by providing speakers for professional society and industry meetings.

Taxpayer service days. In 1998-99, the Board brought important property tax and sales and use tax compliance information to more than

3,900 taxpayers and tax practitioners through a series of 12 all-day events designed for small businesses. Many were cooperative inter-agency events.

Teleconference. For the sixth year, Board staff presented important information to participants in California, Oregon, and Nevada through an annual interagency "Tax Talk" teleconference.

Publications and newsletters. Board staff updated and created a number of publications this year. The agency introduced the first publications in its new *Tax Facts* series, designed to address sales and use tax transaction questions, and publication 52, *Vehicles and Vessels—How to Request an Exemption from California Use Tax*, which is distributed by the California Department of Motor Vehicles. Three periodic tax newsletters, which reach nearly one million readers, continued providing timely information on changes in law and regulations as well as guidance for specific transactions and activities. For a full list of publications and newsletters, see the Appendix.

Laws and regulations. This year, the Board made its business and property taxes law guides available for purchase on CD-ROM and laid the groundwork for publishing the information on the Internet.

Translated publications. In 1998-99, the Board published the *Guide to Board of Equalization Services* in Chinese, Korean,

Spanish, and Vietnamese. Translations were also completed for *Tax Tips for the Dining and Beverage Industry* (Korean and Spanish) and *Your California Seller's Permit* (Chinese, Korean, Spanish, and Vietnamese).

Special notices. 1998-99 special notices alerted taxpayers to changes in special district sales tax rates. Other notices addressed significant changes in tax law, including the tax increases mandated by voter ratification of Proposition 10, which increased taxes on cigarettes and tobacco products.

News releases. To keep the public informed of important tax news, the Board's Media Office issued 78 press releases during the year and fielded more than 650 phone inquiries from the press.

Taxpayer Assistance

Interpreter services. The Board's Equal Employment Opportunity Office uses annual language surveys to develop a list of bilingual and multilingual employees who can provide taxpayer services in languages other than English. The list currently includes more than 160 employees who together speak 35 different languages and dialects, including American Sign Language. More than 80 employees receive a bilingual pay differential because they regularly use their language skills in assisting taxpayers. Interpreter services are available in headquarters units, in field offices, and for Board hearings.

Voter registration. Under the federal "motor voter" law, the Board's offices make available and accept voter registration and change of address forms. In 1998-99, field offices distributed more than 13,341 forms to taxpayers; 296 completed forms were returned to the Board.

Taxpayers' Bill of Rights Activities

The Board's Taxpayers' Rights Advocate coordinates the agency's compliance with the spirit and the letter of the various California Taxpayers' Bills of Rights. In addition to publishing the *Business and Property Taxpayers' Bills of Rights* annual reports, the Advocate's Office organized and participated in presentations to a delegation from Japan seeking information about California's property tax and assessment system. Other participants included the California Farm Bureau, Sacramento County Assessor's Office, and staff from the Board's Property Taxes Department and Legal Division.

1998-99 Public Hearings

Public hearings sponsored by the Taxpayers' Rights Advocate provide taxpayers with the opportunity to address the elected Board members. Taxpayers may comment on all Board-administered revenue programs and local property tax issues. Public hearings on business taxes and property taxes were held in Culver City and in Sacramento.

As a result of specific contacts from taxpayers, issues raised at the Taxpayers' Bill of Rights hearings, and issues identified by the Advocate's Office, the Board is taking the following actions to improve the quality of taxpayer service and education:

- *Annotations:* An operations memo was released to Board staff explaining the proper use of annotations. Every annotation published will now include the date of the legal ruling of counsel and the publication edition date.
- *Correspondence Acknowledgment:* An agencywide policy of timely acknowledging correspondence received from taxpayers and the public was incorporated into



Columbia Square Housing, San Francisco

the *Board of Equalization Administrative Manual*. All correspondence will either be acknowledged or responded to within 12 working days of receipt.

- *Receipt for Books and Records of Account:* Form BOE 945, *Receipt for Books and Records of Account*, has been revised to include the question, "Is the mailing address listed above a change to your official mailing address of record?" If the "yes" box is checked, the address information is forwarded to account maintenance staff to change the address on the registration system.
- *Appeals Correspondence:* Board staff reviewed all appeals process correspondence and modified specific letters to remind taxpayers that interest may accumulate on the disputed tax or fee amount while an appeal is pending. The letters will also include information on the applicable interest rate and refer appellants to the Board's Information Center for appeal status and current balance information.
- *Retention of Audit Working Papers:* Information contained in an audit report can be considered written advice from the Board under Sales and Use Tax Regulation 1705, *Relief from Liability*. Guidelines are being developed regarding the disposition of audit reports and working papers, which in the past were periodically purged

from taxpayer files. Under the new guidelines, documents will be returned to the taxpayer or destroyed at the taxpayer's request.

Evaluating Public Contacts

To ensure quality service while meeting the requirements of the original Taxpayers' Bill of Rights, Board managers and supervisors observe and evaluate the public contact skills of Board employees. All Board employee performance reports and annual reviews must include the supervisor's comments regarding the employee's public contacts, whether made in person, in writing, or by telephone.

In addition, supervisors observe audit staff as they meet with taxpayers to discuss audit procedures or findings. The Board does not evaluate individual officers or employees on the amount of revenue they assess or collect.

The Board's Sales and Use Tax Department continues to gather taxpayer comments regarding the agency's registration and account maintenance services. Ninety-seven percent of the more than 10,000 respondents in 1998-99 were pleased with the overall process and with the services delivered by Board staff. When individuals do express dissatisfaction or make complaints, the Board makes every attempt to contact them and address the issues raised. When necessary, the agency modifies existing procedures or adopts new ones to ensure high levels of taxpayer service.

Overall, taxpayers seem satisfied with the level of service they receive and the professionalism and courtesy extended to them by Board staff. The agency receives many unsolicited letters each year from taxpayers who write to thank staff for their assistance.