

For Immediate Release
September 4, 2009**Contact:** NR 82-09-G
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916-327-8988**California State Board of Equalization Specialists Verify Business Permits**
Businesses in Specific Zip Code Areas Notified of Upcoming Visits

The California State Board of Equalization (BOE) is sending letters to 16,000 retailers in 16 different zip codes notifying them of upcoming visits by BOE specialists. The affected zip codes receiving letters this month are: Burbank (91505 and 91506); Claremont (91711); Escondido (92025); San Marcos (92069); Moreno Valley (92553); Garden Grove (92841 and 92843); Capitola (95010); Santa Cruz (95060); San Jose (95132 and 95133); West Sacramento (95605 and 95691); Davis (95618); and Sacramento (95811).

The BOE specialists will be canvassing the areas to ensure that businesses are properly registered and paying taxes. The new enhanced compliance effort began in September 2008, with 152 zip codes already notified. Specialists have visited more than 84,300 businesses statewide.

These visits are part of the Statewide Compliance and Outreach Program (SCOP). The goal of these visits by the BOE specialists is to ensure all businesses are properly registered so there is no unfair business advantage over those businesses that are properly registered and reporting their taxes and/or fees. A recent two-year pilot estimated that more than three percent of businesses operating in California do so without the appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. Non-compliance is a part of the more than \$2 billion sales and use tax gap. The tax gap is the difference between the amount of taxes owed and the amount paid.

The BOE specialists will conduct checks for seller's permits of all storefronts and other known business locations. When the specialists visit, business owners will be asked business-related questions and not be asked for personal financial information. If an owner has questions about the inquiries from the specialists, they should call their regional [SCOP team contact](#) or the Taxpayer Information Call Center at 800-400-7115.

There are seven teams of approximately eight people each located throughout the state that began their door-to-door visits based on zip code. Registered retailers will be checked for appropriate permits and licenses, as well as service industry businesses, especially if the particular service industry also sells taxable retail items. Those businesses found to be out of compliance will be given instructions on how to register with the BOE and given information about other necessary licenses. For more information on the Statewide Compliance and Outreach Program, visit: http://www.boe.ca.gov/sutax/SCOP_Overview.htm.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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