

BEHIND ON YOUR PAYMENT?

What You Need to Know



This publication explains your rights and your responsibilities when you are notified by the Board of Equalization (BOE) that you have a balance due for unpaid taxes, fees, assessments interest, or penalties.

How Do I Pay?

For assistance, you can:

- Visit “Make a Payment” on our website at www.boe.ca.gov/electsrv/payment.htm.
- Contact your local office.
- Refer to [publication 54](#), *Tax Collection Procedures*, for detailed information about other payment options such as entering into a payment agreement.

What If I Can't Pay What I Owe?

- Don't panic. We want to work with you.
- Pay as much as you can on what you owe to minimize payment of interest.
- If you have a return due, file it even if you can't pay the full amount.
- Contact us immediately. We want to work with you to avoid collection actions. Working together is better for you and better for us.

What Happens When I Contact You?

We will treat you with dignity and respect. We will make sure you understand your rights, and the options available to you.



What If I Don't Think I Owe the Money?

If you believe the billing is wrong, contact us **immediately**:

- Call or write the office that sent the billing;
- Call our Customer Service Center at 1-800-400-7115; or
- Visit your local office.

Many programs have a statute of limitations that may require specific action from you in a timely manner.

Your bill is for an audit. If you received a “Notice of Determination,” you have the right to appeal it by filing a “Petition for Redetermination.” If your petition is filed timely, generally within 30 days after the date of the Notice of Determination, your appeal rights will be protected. Additional information, can be found in [publication 17](#), *Appeals Procedures: Sales and Use Taxes and Special Taxes*, which also explains about the settlement program.

What Collection Actions Can BOE Take?

Our staff may take any of the following actions if you fail to pay an outstanding liability.

Detailed information about the collection actions listed below is available in:

- [Publication 54](#), *Tax Collection Procedures*

Take your property (levy). We may take any type of real or personal property that you own or in which you have interest. Levies may also be placed on your bank account or your wages.

Place a lien on your property. When a *Notice of State Tax Lien* is recorded, your creditors are publicly notified that we have a claim against all your real property, including property you acquire after the lien has been recorded. A recorded lien will negatively affect your credit rating and it remains on your credit history for seven years.

Cancel (revoke) your BOE seller's permit. Typically, we will not cancel a seller's permit unless we have exhausted all other remedies. It is against the law to continue to engage in selling activities once your seller's permit has been revoked.

Cancel certain non-BOE permits and licenses. Your alcoholic beverage license, DMV dealer license or your driving license may be canceled or suspended.

Require a higher security deposit. We may require you to post security, or increase the amount of security to protect the state's interests.

Remove money from the business. We may request law enforcement personnel to enter your business and collect the contents of the cash registers, or to leave an officer in your business for a full day to collect the proceeds of the business on behalf of the BOE.



Hold you personally liable for the debts of the business entity. Under certain circumstances, responsible individuals may be liable for the tax debts owed by terminated corporations, limited liability partnerships, and limited liability companies. See Sales and Use Tax [Regulation 1702.5](#), *Responsible Person Liability*.

Hold you liable as a successor. You may be required to pay the existing debt of a business you purchased if you did not withhold from the purchase price enough to cover the former business owner's debt to the BOE. See [Regulation 1702](#), *Successor's Liability*.

Is There Any Relief Available?

There are some situations that may provide full or partial relief from collection actions or from the liability.

Offer in Compromise.

Eligible taxpayers may satisfy their liability by paying a lesser amount. Answers to commonly asked questions about eligibility are available on our website and in [publication 56](#), *Offers in Compromise*.

Innocent Spouse.

You may not be required to pay if you qualify as an innocent spouse or innocent registered domestic partner. Information about the conditions that must be met to qualify is in [publication 57](#), *Innocent Spouse Relief for Individuals That Were Married or Registered Domestic Partners*.

Former Partner.

Partners are separately and jointly liable for liabilities of the partnership. If you can prove you left the partnership, you may not be held responsible for the entire amount owed. See [publication 54](#), *Tax Collection Procedures*.

Bankruptcy.

Contact your local BOE office immediately if you have filed a petition for bankruptcy. See our website for general information about bankruptcy.

Errors by BOE Staff.

If we take any collection actions in error, we may be required to release a lien or levy, or return levied funds. For more information, see [publication 54](#), *Tax Collection Procedures* and [publication 70](#), *Understanding Your Rights as a California Taxpayer*.

What Rights Do I Have?

Under the law, you have the right to:

- Receive information and assistance to help you comply with the law;
- Be treated fairly and courteously and receive prompt service;
- Meet with a supervisor to help you resolve your issue;
- Request copies of documentation from your file;
- Request a hardship hearing to demonstrate that a collection action is causing a significant economic hardship; and
- Appeal a decision or claim a refund as allowed by law.

For more information, see [publication 70](#), *Understanding Your Rights as a California Taxpayer*.

If you have been unable to resolve a problem through normal channels, such as by speaking to a supervisor, you may contact the [Taxpayers' Rights Advocate](#) at 1-888-324-2798.



IS
AVAILABLE?

Where Can I Find More Information or Help?

Publications: You can view and print any of the publications mentioned from our website or request copies from our Customer Service Center.

BOE Website:

www.boe.ca.gov.

Help Related to Paying Taxes:

www.boe.ca.gov/electsrv/trouble_paying_taxes.htm

Customer Service Center:

1-800-400-7115, TTY:711

Customer service representatives are available from 8:00 a.m. to 5:00 p.m., Pacific time, Monday through Friday except state holidays.

Directory of BOE Field Offices:

www.boe.ca.gov/info/phone.htm

Taxpayers' Rights Advocate:

Toll-free: 1-888-324-2798

Fax: 1-916-323-3319

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