



SEN. GEORGE RUNNER (RET.)

MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

April 9, 2013

The Honorable Shannon Grove
California State Assembly
State Capitol
Sacramento, CA 95814

RE: SUPPORT AB 698 (Grove)

Dear Assembly Member Grove,

I am pleased to sponsor Assembly Bill 698. AB 698 will preserve the legislative intent of successor liability for sales and use tax liabilities, while protecting those who might unknowingly purchase a business with an outstanding tax bill.

AB 698 authorizes the Board of Equalization to hold business purchasers financially accountable in the event that they **intentionally** do not withhold and remit sufficient funds to settle the tax liability of a business they purchased, up to the total price of the purchase.

Implementing AB 698 will protect new business owners from getting stuck with a liability they did not create, while preserving the state's ability to hold successors responsible in the case of knowing avoidance or collusion. I proudly sponsor this bill and hope this effort will garner much support.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Runner".

GEORGE RUNNER
Second District