



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Authorize Certain City Officials and a City Contractor Access to Sales and Use Tax Records

BACKGROUND

In accordance with State Law, sales, use and transactions tax information is confidential, and it is considered unlawful for the California Department of Tax and Fee Administration (CDTFA) or any other persons authorized to access this data to publicize in any manner the information pertaining to any retail or any person or business required to report to the CDTFA.

The CDTFA remits monthly sales tax payments to the City and on a quarterly basis provides reports detailing the businesses that generate sales tax for the City and the amount of sales tax generated.

EXISTING POLICY

Sunnyvale Municipal Code Section 3.04.090. which reads as follows: "Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.5 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 of Division 2 of the Revenue and Taxation Code are adopted and made a part of this chapter as though fully set forth herein."

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under CEQA Guidelines 15378(b)(4) and 15378(b)(5) because it is an administrative or fiscal activity that will not result in a direct or indirect physical change to the environment.

DISCUSSION

The City contracts with Hinderliter, de Llamas and Associates (HdL) for sales tax auditing and reporting services. HdL must have access to the CDTFA's sales, use and transaction tax records in order to complete the services required by the contract with the City. City staff utilizes the information from both sources to evaluate and analyze sales tax revenue and trends to prepare revenue projections and to develop economic development strategies.

Section 7056(b) of the California Revenue and Taxation Code requires the Council to adopt a resolution to authorize specific City officers or employees to have access to sales, use and transactions tax records. In Addition, Section 7056(b)(1) requires the resolution to certify that any person designated by the resolution, other than a City officer or position, meet certain conditions. Although the current resolution in place already authorizes HdL and the Director of Finance to access the data, this resolution has not been updated for many years and also reflects some titles that are no longer used by the City. Staff is recommending adopting an updated resolution to reflect current

authorized City officers and positions.

Under the revised Resolution, HdL would continue to be allowed access to the CDTFa records under this code section and meets all the conditions. The Resolution also includes an updated list of City positions recommended to have access to these records and continues the delegation of authority to the Director of Finance.

FISCAL IMPACT

There is no fiscal impact associated with adoption of the Resolution as recommended.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

STAFF RECOMMENDATION

Adopt a Resolution to authorize certain City Officials and a city contractor access to Sales and Use Tax Records

Prepared by: Grace Zheng, Assistant Director of Finance

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENT

1. Resolution Authorizing Access to Sales and Use Tax Records