



# CITY OF CARSON

## Legislation Text

File #: 2021-749, Version: 1

### Report to Mayor and City Council

Tuesday, October 19, 2021

Consent

#### **SUBJECT:**

**CONSIDER APPROVAL OF RESOLUTION 21-126 AUTHORIZING THE CITY TO CONTINUE DATA SHARING OF TAX REVENUE WITH THE FRANCHISE TAX BOARD (CITY COUNCIL)**

#### **I. SUMMARY**

Annually, the City engages with the Franchise Tax Board and signs a data sharing agreement. This agreement allows the City to obtain tax records of those businesses who have conducted business within the City. Conversely, the City provides Business License records to the Franchise Tax Board of those who have obtained a Business License. The last resolution, dated 2004, was signed by then Mayor Jim Dear. The Franchise Tax Board is requesting an updated resolution to continue the data sharing agreement.

#### **II. RECOMMENDATION**

APPROVE the resolution 21-126 with the Franchise Tax Board for the continued data sharing agreement

#### **III. ALTERNATIVES**

TAKE another action that the City Council deems appropriate

#### **IV. BACKGROUND**

Annually, the Finance Department Revenue Division applies to the Franchise Tax Board ("FTB") to engage in a reciprocal data sharing agreement. The purpose of the agreement is for cities to receive FTB taxpayer information in accordance with the Revenue and Taxation Code, section 19551.1. The City receives a list of business names and identifying

information of those that register the City of Carson as their place of business. In return, according to the agreement, the City provides Business License data (business names and identifying information) to the FTB. Staff reviews the FTB list and determines if the businesses have a Carson Business License. If there is no license on file, staff sends a letter advising of the City's municipal code and requirements. The data the City receives is crucial in identifying businesses who operate in Carson.

The existing resolution (04-067) submitted to the FTB in 2021, along with our signed agreement is outdated and the FTB is requesting an updated resolution to move forward with the current agreement. Additionally, there is no financial obligation with the agreement since each party (City and FTB) bears its own costs in providing the data. Staff is requesting the City Council to approve Resolution 21-126 (Exhibit 1), to continue receiving business information.

## **V. FISCAL IMPACT**

There is no fiscal impact with this agreement since the agreement with the FTB is considered "non-financial" with each party bearing any costs associated with the data exchange.

## **VI. EXHIBITS**

1. Resolution 21-126 (pgs. 3-7)
2. Franchise Tax Board Agreement and Exhibits (pgs. 8-20)

1.

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