

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXAMINATION OF
TRANSACTIONS (SALES) AND USE TAX RECORDS

WHEREAS, pursuant to Ordinance No. 3371 of the City of Chula Vista hereinafter called District and Section 7270 of the Revenue and Taxation Code, the District entered into a contract with the State Board of Equalization to perform all functions incident to the administration and operation of the Transactions and Use Tax Ordinance; and

WHEREAS, the District deems it desirable and necessary for authorized representatives of the District to examine confidential transactions and use tax records of the State Board of Equalization pertaining to transactions and use taxes collected by the Board for the District pursuant to that contract; and

WHEREAS, Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the transactions and use tax records of the Board.

NOW, THEREFORE IT IS RESOLVED AND ORDERED AS FOLLOWS:

Section 1. That the City Manager, Assistant City Manager, Deputy City Manager, Director of Finance, Assistant Director of Finance or other officer or employee of the District designated in writing by the City Manager to the State Board of Equalization (hereafter referred to as Board) is hereby appointed to represent the District with authority to examine transactions and use tax records of the Board pertaining to transactions and use taxes collected for the District by the Board pursuant to the contract between the District and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of the District's transactions and use taxes by the Board pursuant to the contract.

Section 2. That the Director of Finance or other officer or employee of the District designated in writing by the City Manager to the Board of Equalization is hereby appointed to represent the District with authority to examine those transactions and use tax records of the Board for purposes related to the following governmental functions of the District:

- a) Ensure all businesses within the District are in compliance with the Ordinance;
- b) Ensure timely collection of all revenues included within the Ordinance; and
- c) Ensure a responsive audit of the revenues is performed on an annual basis.

The information obtained by examination of Board records shall be used only for those governmental functions of the District listed above.

Section 3. That Hinderliter, de Llamas and Associates is hereby designated to examine the transactions and use tax records of the Board of Equalization pertaining to transactions and use taxes

collected for the District by the Board. The person or entity designated by this section meets all of the following conditions:

- a) has engaged in discussions with District staff regarding the terms of a contract with the District to examine those transactions and use tax records;
- b) will be required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2) of this resolution to examine the information;
- c) will be prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) will be prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

The City Manager, or his designee, shall have the authority to finalize the terms of, and execute, the contract with Hinderliter, de Llamas and Associates. Prior to execute the contract on behalf of the District, the City Manager, in coordination with the City Attorney, shall ensure that the contract meets the above conditions.

BE IT FURTHER RESOLVED that the information obtained by examination of Board records shall be used only for purposes related to the collection of District’s transactions and use taxes by the Board pursuant to the contracts between the District and Board.

Section 4. That this resolution supersedes all prior transactions and use tax resolutions of the District adopted pursuant to subdivision (b) of Revenue and Taxation Section 7056.

Presented by:

Approved as to form by:

Gary Halbert
City Manager

Glen R. Googins
City Attorney