



Legislation Details (With Text)

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Title: Resolution approving a Reciprocal Agreement with the State of California Franchise Tax Board to exchange tax data specific to city business licenses for tax administration purposes and authorizing the Director of Finance to enter into said Reciprocal Agreement

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Attachments: 1. Attachment A-South San Francisco Agreement with Exhibits

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Resolution approving a Reciprocal Agreement with the State of California Franchise Tax Board to exchange tax data specific to city business licenses for tax administration purposes and authorizing the Director of Finance to enter into said Reciprocal Agreement

WHEREAS, California Revenue and Taxation Code (“R&TC”) Section 19551.1 authorizes a reciprocal agreement for the exchange of specified tax information between a City and the State of California Franchise Tax Board (“FTB”); and

WHEREAS, R&TC Section 19551.5 mandates cities to provide city business licensing and tax information to FTB upon request; and

WHEREAS, the City of South San Francisco (“City”) previously entered into a reciprocal agreement with FTB for the exchange of specified tax information;

WHEREAS, the prior reciprocal agreement between the City and FTB expired on December 31, 2020; and

WHEREAS, Municipal Code Chapter 6.04 sets forth business licensing requirements for businesses operating within the City; and

WHEREAS, the tax information provided by FTB allows the City to compare its business license records to the State’s tax records, thereby providing an additional means of ensuring compliance with Municipal Code Chapter 6.04; and

WHEREAS, the City and FTB desire to enter into a new reciprocal agreement (“Reciprocal Agreement”) to

provide for the reciprocal exchange between FTB and the City tax data specific to city business license information for tax administration purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South San Francisco that the City Council hereby takes the following actions:

1. Approves the Reciprocal Agreement between the City of South San Francisco and the State of California Franchise Tax Board; and
2. Authorizes the Director of Finance to execute the Reciprocal Agreement with the State of California Franchise Tax Board substantially in the form attached hereto and incorporated herein as Attachment A, subject to approval as to form by the City Attorney; and to exchange tax data specific to City business licenses for tax administrative purposes pursuant to the Reciprocal Agreement.

Attachments: Attachment A-South San Francisco Agreement with Exhibits