

State officials inspecting South Shore businesses for tax compliance

The California State Board of Equalization sent letters to 12,000 retail businesses in 16 ZIP codes, including South Lake Tahoe, notifying them of upcoming visits by BOE specialists.

Businesses receiving letters this month are located in: Canoga Park (91303); Tarzana (91356); Hacienda Heights (91745); Solana Beach (92075); Anaheim (92804, 92805); San Luis Obispo (93401, 93405); Vallejo (94589); Campbell (95008, 95009, 95011); and South Lake Tahoe (96150, 96151, 96155, 96158).

These visits are part of the Statewide Compliance and Outreach Program that was launched in September 2008. The BOE specialists have visited more than 226,000 businesses statewide, with 313 ZIP codes receiving notifications.

The goal of the SCOP program is to verify that all businesses are properly registered, so there is no unfair business advantage over those businesses that are properly registered and reporting their taxes and/or fees. The SCOP program has found that more than 3.5 percent of businesses operating in California do so without the appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. Non-compliance is a part of the more than \$2 billion sales and use tax gap – the difference between the amount of taxes owed and the amount of taxes paid.

The BOE specialists conduct checks for seller's permits of all storefronts and other known business locations. When the specialists visit, business owners are asked business-related questions and are not asked for personal financial information.

For general information, contact the Taxpayer Information Call Center at 800.400.7115.

Registered retailers, as well as service industry businesses, will be checked for appropriate permits and licenses. Those businesses found to be out of compliance will be given instructions on how to register with the BOE and given information about other necessary licenses.