

RESOLUTION NO. 2024-18

A Resolution of the City Council of the City of Grass Valley Authorizing Examination of Sales or Transactions and Use Tax Records

WHEREAS, pursuant to Ordinance Number 330, the City of Grass Valley (City) entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of sales and use taxes; and

WHEREAS, pursuant to Ordinance Number 740, 795, and 826, Revenue and Taxation Code section 7270, the City entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of transactions and use taxes; and

WHEREAS, the City Council of the City of Grass Valley deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected by the Department for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRASS VALLEY HEREBY RESOLVES AS FOLLOWS:

Section 1. That the City Manager and Finance Director, or other officer or employee of the City designated in writing by the City Manager and Finance Director to the California Department of Tax and Fee Administration is hereby appointed to represent the City with authority to examine sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by the Department pursuant to the contract between the City and the Department.

Section 2.

The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to that contract.

Section 3. That Hinderliter de Llamas & Associates dba HDL Companies is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by

the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the City and the Hinderliter de Llamas & Associates dba HDL Companies:

- a) has an existing contract with the City to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records, after that contract has expired.

BE IT FURTHER RESOLVED that the information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to the contract between the City and the Department.

Section 4. That this resolution supersedes all prior resolutions of the City Council of the City of Grass Valley adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

Adopted as a resolution of the City Council of the City of Grass Valley at a meeting thereof held on the 23rd, day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST:

APPROVED AS TO FORM:

Taylor Day, City Clerk

Michael G. Colantuono, City Attorney