

RESOLUTION 2025-051

A Resolution of the City Council of the Town of Los Gatos Authorizing Examination of Sales or Transactions and Use Tax Records and Rescinding Resolution 2021-034

WHEREAS, pursuant to Resolution 2021-034 the Town of Los Gatos (Town) 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 Revenue and Taxation Code section 7270, the Town 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 Town Council of the Town of Los Gatos deems it desirable and necessary for authorized officers, employees and representatives of the Town 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 Town 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 TOWN OF LOS GATOS HEREBY RESOLVES AS FOLLOWS:

Section 1. That the Town Manager, Assistant Town Manager, Town Attorney, Finance Director, Finance and Accounting Manager, Accountant and Finance Analyst, Senior Finance Analyst, Community Development Director, Economic Vitality Manager or other officer or employee of the Town designated in writing by the Town Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the Town 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 Town by the Department pursuant to the contract between the Town and the Department.

Section 2.

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

- (a) Budget
- (b) Planning
- (c) Economic Development
- (d) Transportation Planning

(e) Business License

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

Section 3. That Hinderliter de Llamas & Associates 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 Town 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 Town and Hinderliter de Llamas & Associates:

- a) has an existing contract with the Town 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 Town sales or transactions and use taxes by the Department pursuant to the contract between the Town and the Department and for those purposes relating to the governmental functions of the City listed in section 2 of this resolution.

Section 5. That this resolution supersedes all prior resolutions of the Town Council of the Town of Los Gatos adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

Introduced, approved and adopted this 7th day of October 2025.

ATTEST: (s) Mary Hall
Town Clerk

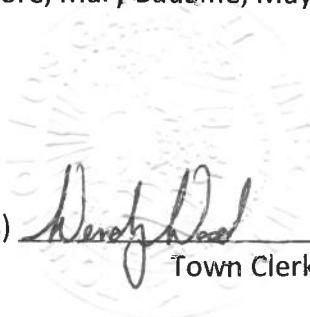
(s) Mark Hinderliter
Mayor

I, Wendy Wood, Town Clerk of the Town of Los Gatos, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the Town Council of the Town of Los Gatos at a regular meeting of said Council held on the 7th day of October, 2025, by the following roll call vote:

Ayes: Maria Ristow, Rob Rennie, Rob Moore, Mary Badame, Mayor Matthew Hudes

Noes: None

Absent: None

(s) 

Wendy Wood
Town Clerk