

Senate Bill No. 445

CHAPTER 670

An act to amend Section 11125.1 of the Government Code, and to amend Sections 7081 and 21002 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor October 9, 2001. Filed with Secretary of State October 10, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 445, Burton. Taxation: taxpayers' bill of rights.

(1) The Bagley-Keene Open Meeting Act generally requires that the meetings of state bodies, as defined, be conducted openly. Existing law requires that public writings, pertaining to a matter subject to discussion or consideration at a public meeting, that are distributed to a majority of the members of the state body shall be made available for public inspection.

This bill would provide that, in the case of the Franchise Tax Board, prior to that state body taking final action on any item, writings pertaining to that item that are public records under the act that are distributed to members of the state body by board staff or individual members prior to or during a meeting, shall be made available for public inspection at that meeting, distributed to all persons who request notice in writing, and made available on the Internet.

(2) Under existing law, there are taxpayers' bills of rights that apply to both the State Board of Equalization and the Franchise Tax Board to ensure that these taxing agencies conduct their operations of tax assessment and tax collection in a manner that ensures the privacy and property rights of California's taxpayers. In adopting the respective taxpayers' bill of rights, the Legislature made specific findings and declarations of intent regarding the expectations and responsibilities of taxpayers and the taxing agencies.

This bill would add the Legislature's finding that the purpose of any proceeding between a taxing agency and a taxpayer is the determination of the taxpayer's correct amount of tax liability, and would set forth the Legislature's intent that, in furtherance of this purpose, the taxing agency may inquire into, and should allow the taxpayer every opportunity to present, all relevant information pertaining to the taxpayer's liability.



The people of the State of California do enact as follows:

SECTION 1. Section 11125.1 of the Government Code is amended to read:

11125.1. (a) Notwithstanding Section 6255 or any other provisions of law, agendas of public meetings and other writings, when distributed to all, or a majority of all, of the members of a state body by any person in connection with a matter subject to discussion or consideration at a public meeting of the body, are disclosable public records under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and shall be made available upon request without delay. However, this section shall not include any writing exempt from public disclosure under Section 6253.5, 6254, or 6254.7 of this code, or Section 489.1 or 583 of the Public Utilities Code.

(b) Writings that are public records under subdivision (a) and that are distributed to members of the state body prior to or during a meeting, pertaining to any item to be considered during the meeting, shall be made available for public inspection at the meeting if prepared by the state body or a member of the state body, or after the meeting if prepared by some other person.

(c) In the case of the Franchise Tax Board, prior to that state body taking final action on any item, writings pertaining to that item that are public records under subdivision (a) that are distributed to members of the state body by board staff or individual members prior to or during a meeting shall be: (1) made available for public inspection at that meeting, (2) distributed to all persons who request notice in writing pursuant to subdivision (a) of Section 11125, and (3) made available on the Internet.

(d) Nothing in this section shall be construed to prevent a state body from charging a fee or deposit for a copy of a public record pursuant to Section 6257. The writings described in subdivision (b) are subject to the requirements of the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and shall not be construed to limit or delay the public's right to inspect any record required to be disclosed by that act, or to limit the public's right to inspect any record covered by that act. This section shall not be construed to be applicable to any writings solely because they are properly discussed in a closed session of a state body. Nothing in this article shall be construed to require a state body to place any paid advertisement or any other paid notice in any publication.

(e) "Writing" for purposes of this section means "writing" as defined under Section 6252.



SEC. 2. Section 7081 of the Revenue and Taxation Code is amended to read:

7081. The Legislature finds and declares that taxes are the most sensitive point of contact between citizens and their government, and that there is a delicate balance between revenue collection and freedom from government oppression. It is the intent of the Legislature to place guarantees in California law to ensure that the rights, privacy, and property of California taxpayers are adequately protected during the process of the assessment and collection of taxes.

The Legislature further finds that the California tax system is based largely on voluntary compliance, and the development of understandable tax laws and taxpayers informed of those laws will improve both voluntary compliance and the relationship between taxpayers and government. It is the further intent of the Legislature to promote improved voluntary taxpayer compliance by improving the clarity of tax laws and efforts to inform the public of the proper application of those laws.

The Legislature further finds and declares that the purpose of any tax proceeding between the State Board of Equalization and a taxpayer is the determination of the taxpayer's correct amount of tax liability. It is the intent of the Legislature that, in furtherance of this purpose, the State Board of Equalization may inquire into, and shall allow the taxpayer every opportunity to present, all relevant information pertaining to the taxpayer's liability.

SEC. 3. Section 21002 of the Revenue and Taxation Code is amended to read:

21002. The Legislature finds and declares that taxes are the most sensitive point of contact between citizens and their government, and that there is a delicate balance between revenue collection and freedom from government oppression. It is the intent of the Legislature to place guarantees in California law to ensure that the rights, privacy, and property of California taxpayers are adequately protected during the process of the assessment and collection of taxes.

The Legislature further finds that the California tax system is based largely on self-assessment, and the development of understandable tax laws and taxpayers informed of those laws will improve both self-assessment and the relationship between taxpayers and government. It is the further intent of the Legislature to promote improved taxpayer self-assessment by improving the clarity of tax laws and efforts to inform the public of the proper application of those laws.

The Legislature further finds and declares that the purpose of any tax proceeding between the Franchise Tax Board and a taxpayer is the determination of the taxpayer's correct tax liability. It is the intent of the



Legislature that, in the furtherance of this purpose, the Franchise Tax Board may inquire into, and shall allow the taxpayer every opportunity to present, all relevant information pertaining to the taxpayer's liability.

