

Assembly Bill No. 790

CHAPTER 443

An act to add and repeal Article 1.5 (commencing with Section 7063) of Chapter 8 of Part 1 of Division 2 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor September 21, 1999. Filed
with Secretary of State September 21, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

AB 790, Honda. Sales and use tax.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. The sales taxes due under these provisions are generally the obligation of the seller of the personal property. The seller must file a return with the State Board of Equalization and pay all taxes due.

This bill would require the board to make publicly available each quarter a list of the 12 largest tax delinquencies in excess of \$1,000,000. The quarterly list would contain specified identifying information about the delinquencies. The board would be required to remove certain delinquencies that meet specified criteria within 5 business days, including among others those where payment arrangements have been made or a bankruptcy proceeding has been initiated.

This bill would repeal these provisions on January 1, 2005.

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

SECTION 1. Article 1.5 (commencing with Section 7063) is added to Chapter 8 of Part 1 of Division 2 of the Revenue and Taxation Code, to read:

Article 1.5. Public Disclosure of Tax Delinquencies

7063. (a) Notwithstanding any other provision of law, the board shall make available as a matter of public record each quarter a list of the 12 largest tax delinquencies in excess of one million dollars (\$1,000,000) under this part. For purposes of compiling the list, a tax delinquency means an amount owing the board which is all of the following:

(1) Based on a determination made under Article 2 (commencing with Section 6481) or Article 3 (commencing with Section 6511) of Chapter 5 deemed final pursuant to Article 5 (commencing with



Section 6561) of Chapter 5, or that is “due and payable” under Article 4 (commencing with Section 6536) of Chapter 5.

(2) Recorded as a notice of state tax lien pursuant to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code, in any county recorder’s office in this state.

(3) For an amount of tax delinquent for more than 90 days for which the person has received tax or tax reimbursement, including any additions, penalties, or interest.

(b) For purposes of the list, a tax delinquency does not include any of the following and may not be included on the list:

(1) A delinquency that is under litigation in a court of law.

(2) A delinquency under which the person has filed a petition for redetermination.

(3) A delinquency for which payment arrangements have been agreed to by both the taxpayer and the board and the taxpayer is in compliance with the arrangement.

(4) A delinquency under which the taxpayer has filed for bankruptcy protection pursuant to the United States Bankruptcy Code.

(c) Each quarterly list shall, with respect to each delinquency, include all the following:

(1) The name of the person or persons liable for payment of the tax and that person’s or persons’ last known address.

(2) The amount of delinquency, including any applicable interest or penalties.

(3) The length of time for which payment has been delinquent.

(4) The type of tax that is delinquent.

Prior to making a tax delinquency a matter of public record as required by this section, the board shall provide a preliminary written notice to the person or persons liable for the tax by first-class mail, return receipt required. If within 30 days after receipt of the notice of receipt, the person or persons do not remit the amount due or make arrangements with the board for payment of the amount due, the tax delinquency shall be included on the list.

(d) The quarterly list described in subdivision (a) shall include the following:

(1) The telephone number and address of the board office to contact if a person believes placement of his or her name on the list is in error.

(2) The aggregate number of persons that have appeared on the list who have satisfied their delinquencies in their entirety and the dollar amounts, in the aggregate, that have been paid attributable to those delinquencies.

(e) As promptly as feasible, but no later than 5 business days from the occurrence of any of the following, the board shall remove that taxpayer’s name from the list of tax delinquencies:



(1) Tax delinquencies for which the person liable for the tax has contacted the board and resolution of the delinquency is being arranged or has been arranged.

(2) Tax delinquencies for which the board has verified that an active bankruptcy proceeding has been initiated.

(3) Tax delinquencies for which the board has verified that a bankruptcy proceeding has been completed and there are no assets available with which to pay the delinquent amount or amounts.

(4) Tax delinquencies that the board has determined to be uncollectible.

(f) A person whose delinquency appears on the quarterly list, and who satisfies that delinquency in whole or in part, may request the board to include in its quarterly list any payments that person made to satisfy the delinquency. Upon receipt of that request, the board shall include those payments on the list as promptly as feasible.

(g) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2005, deletes or extends that date.

