

## **RESOLUTION NO. 2021-093**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, AUTHORIZING THE EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS**

**WHEREAS**, pursuant to Chapter 3.28 of the Corona Municipal Code (“CMC”), the City has entered into one or more contracts with the California Department of Tax and Fee Administration (“CDTFA”), or its predecessor, to perform all functions incident to the administration and collection of local sales and use taxes; and

**WHEREAS**, pursuant to Chapter 3.30 of the CMC and Section 7270 of the Revenue and Taxation Code, the City has entered into one or more contracts with the CDTFA, or its predecessor, to perform all functions incident to the administration and collection of local transactions and use taxes; and

**WHEREAS**, the City Council 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 CDTFA pertaining to sales and use taxes and transactions and use taxes collected by the CDTFA for the City pursuant to said contracts; and

**WHEREAS**, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of CDTFA 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 CDTFA.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA AS FOLLOWS:**

**SECTION 1. Authorization.** That the City Manager or other officer or employee of the City designated in writing by the City Manager to the CDTFA is hereby appointed to represent the City with authority to examine sales or transactions and use tax records of the CDTFA pertaining to sales and use taxes and transactions and use taxes collected for the City by the CDTFA pursuant one or more contracts between the City and the CDTFA.

**SECTION 2.** The information obtained by examination of CDTFA records shall be used only for purposes related to the collection of the City’s sales and use taxes and transactions and use taxes by the CDTFA pursuant to one or more contracts between the City and the CDTFA, and for purposes related to the following governmental functions of the City:

- a) Budgeting and revenue verification and projections;
- b) Audits;

- c) Economic development and strategic planning (business attraction, expansion and retention);
- d) Revenue productivity analysis;
- e) Fiscal and economic impact analysis; and
- f) Analysis of revenue base strengths, weaknesses, opportunities and threats.

**SECTION 3.** That Hinderliter, De Llamas & Associates (“HdL”) is hereby designated to examine the sales or transactions and use tax records of the CDTFA pertaining to sales and use taxes and transactions and use taxes collected for the City by the CDTFA. 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 HdL:

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.

**SECTION 4.** The information obtained by examination of CDTFA records shall be used only for purposes related to the collection of the City’s sales and use taxes and the City’s transactions and use taxes by the CDTFA pursuant to the contracts between the City and CDTFA and for those governmental functions of the City listed in Section 2 of this Resolution.

**SECTION 5.** This Resolution supersedes all prior resolutions of the City of Corona adopted pursuant to subdivision (b) of Revenue and Taxation Section 7056, including, without limitation, Resolution No. 2020-154.

**SECTION 6. Effective Date of Resolution.** The Mayor shall sign the Resolution and the City Clerk attest thereto, and this Resolution shall take effect and be in force immediately.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of July 2021.

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Mayor of the City of Corona, California

**ATTEST:**

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City Clerk of the City of Corona, California

**CERTIFICATION**

I, SYLVIA EDWARDS, City Clerk of the City of Corona, certify that the foregoing resolution was adopted by the City Council of the City of Corona at a regular meeting held on the 21<sup>st</sup> day of July 2021, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the City of Corona this 21<sup>st</sup> day of July 2021.

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City Clerk of the City of Corona