

PUBLICATION 164 ■ LDA

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STATEWIDE
COMPLIANCE AND
OUTREACH
PROGRAM

CALIFORNIA DEPARTMENT OF
TAX AND FEE ADMINISTRATION

What are my rights?

You have specific legal rights as a California taxpayer. CDTFA employees must honor and protect your rights every time we interact with you. Your rights as a California taxpayer include the right to:

- Courteous and prompt service,
- Fair treatment,
- Confidentiality, and
- Information and assistance.

Can I file a complaint if I have concerns about the verification visit or the representatives behavior?

Yes. If you believe a SCOP representative was unprofessional or violated your rights, you may file a complaint by calling or writing your local SCOP Team office.

You can find a list of CDTFA SCOP Team offices on the our website at www.cdtfa.ca.gov/sutax/SCOP_ContactInfo.htm, by contacting your local CDTFA office, or by calling our Customer Service Center.

Be sure to explain how the SCOP representative was unprofessional in conducting the permit and license verification. Your complaint will be handled by a supervisor, who will contact you to address your concerns.

If you cannot resolve your problem with a supervisor or manager or prefer to have your complaint handled outside the Field Operations Department, you may contact the [Taxpayers' Rights Advocate Office](#).

Why have you contacted me?

We intend to visit most of the businesses in our state for routine permit and license verifications under our [Statewide Compliance and Outreach Program \(SCOP\)](#). The program is intended to:

- Make sure you have the state tax and fee permits and licenses you need,
- Make sure that our records on your business are updated and correct,
- Allow you to meet a representative who can provide information and answer your questions, and
- Make sure you understand your reporting requirements so that you are able to report properly.

This program is part of a statewide effort to educate business owners, increase tax compliance, and help make our tax system fair. The permit and license verification is not intended to replace audits or other tax compliance or enforcement activity.

What permits and licenses do I need?

If you sell or lease merchandise, you must have a California seller's permit. State law requires the seller's permit to be prominently displayed at your place of business ([Revenue and Taxation Code section 6067](#)).

You may also need a permit or license for other tax and fee programs we administer. For example, California law requires businesses that sell cigarettes or tobacco to have a separate license for the sale of those products. When we

visit your business, we will give you information about how to register for any permits and licenses you may need.

Am I required to register for use tax reporting?

California law requires a "qualified purchaser" to register with the California Department of Tax and Fee Administration (CDTFA) and annually report and pay use tax directly to the CDTFA. Reporting and paying the use tax is done through our online filing system. A "qualified purchaser" includes any business not otherwise required to register with the CDTFA for sales and use tax with at least \$100,000 in annual gross receipts from business operations. Gross receipts are the total of all receipts from both in-state and out-of-state business operations. For additional information, see [publication 126, Mandatory Use Tax Registration for Service Enterprises](#), available on our website at www.cdtfa.ca.gov.

What will happen during the permit and license verification visit?

CDTFA SCOP representatives will enter your business, identify themselves, and show CDTFA-issued identification. The representatives will then quickly look to see whether you are selling or leasing merchandise and need a seller's permit.

If you are required to have a seller's permit, and it is not on display, the SCOP representatives will ask to see it. They will also ask to see any other CDTFA-issued permits and licenses you may have as well as your local business license.

The SCOP representatives will verify that CDTFA records on your business are correct. They may also ask you for more information about your business operations to make sure you understand your reporting requirements and are reporting properly.

If you need to register for a seller's permit or license, the SCOP representatives will provide you with information on how to apply using online registration available at www.cdtfa.ca.gov. Registration is also available in our field offices www.cdtfa.ca.gov/info/phone.htm. You will be asked to register within one week. Our registration system will ask you questions about your business. Your response will be used to identify the tax and fee program(s) for which you are required to register. Please contact our Customer Service Center for assistance at 1-800-400-7115 (TTY:711).

Keeping Records

It is vitally important that you keep accurate and complete records. California law requires that you keep sales and purchase records, receipts, resale certificates, and normal books of account. Records must be kept for at least four years. For more information, visit www.cdtfa.ca.gov/sutax/faqrec.htm.

Taxpayers' Rights Advocate Office

If you would like to know more about your rights as a taxpayer or if you have not been able to resolve a problem through normal channels (for example, by speaking to a supervisor), please see [publication 70](#), *Understanding Your Rights as a California Taxpayer*, or contact the Taxpayers' Rights Advocate Office for help at 1-916-324-2798 (toll-free: 1-888-324-2798) or fax 1-916-323-3319. If you prefer, you can write to:

Taxpayers' Rights Advocate, MIC:70
California Department of
Tax and Fee Administration
PO Box 942879
Sacramento, CA 94279-0070

For More Information

If you have any questions about the license verification visit, you may contact your local CDTFA SCOP Team office.

For more information about specific tax and fee programs or to order tax publications, visit our website at www.cdtfa.ca.gov, or call our Customer Service Center at 1-800-400-7115 (TTY:711).

Tax evasion hurts all of us . . .

To report suspected tax evasion, contact our Tax Evasion Hotline at 1-888-334-3300.