

Taxpayers' Rights Advocate Office

Our Taxpayers' Rights Advocate Office helps taxpayers who have not been able to resolve a matter through routine channels, who want information about procedures related to a particular situation, or when there appears to be a violation of their rights. You may call the office toll-free at 1-888-324-2798 or contact them at www.boe.ca.gov/info/emailtra.htm. The office will independently investigate your issue and respond.

For more information . . .

Investigations Division

State Board of Equalization
PO Box 942879
Sacramento, CA 94279-0042
Call: 1-916-324-0105
FAX: 1-916-324-1578

Website

www.boe.ca.gov

Customer Service Center

1-800-400-7115 (toll-free)
TTY:711

Operating Without a Valid Seller's Permit— Criminal Citation

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SEN. GEORGE RUNNER (Ret.)
First District
Lancaster

FIONA MA, CPA
Second District
San Francisco

JEROME E. HORTON
Third District
Los Angeles County

DIANE L. HARKEY
Fourth District
Orange County

BETTY T. YEE
State Controller

DAVID J. GAU
Executive Director

Board Members

The Board of Equalization (BOE) has found you to be in violation of the Sales and Use Tax Law by operating a business either without a seller's permit or with a revoked permit—a misdemeanor violation of Revenue and Taxation Code section 6071.

Over the last several months, staff from the BOE's district office has made numerous attempts to have you secure a seller's permit or clear the cause of your revoked permit. Because you have not complied with these requests, the district office has referred your case to our Investigations Division for criminal citation and prosecution.

Why have I come to your business today?

I am here today to give you a final opportunity to acquire a seller's permit from the State Board of Equalization or clear the revoked status of your existing permit prior to citation. As an Investigator from the Investigations Division I will:

- show you my identification and badge, and give you my business card;
- explain fully the reason for my visit;
- inform you of the consequences of failing to comply with the law; and
- advise you that you are being given five (5) business days from today to acquire a seller's permit or clear the revoked status of your existing permit.

What is a criminal citation?

A criminal citation is a Notice to Appear in court for the commission of a criminal misdemeanor violation. Criminal citations are prosecuted by the city or district attorney's office and require violators to appear in court on the date and time specified on the citation. Failure to appear in court on the date designated may result in the issuance of a bench warrant by the court.

What can I do to avoid a citation?

You are currently in violation of California law. To avoid criminal citation and prosecution, you should immediately contact your local BOE office to secure your seller's permit or clear the cause of your revoked permit. If this is not completed within five business days from today's date, I will issue you a citation.

District office staff will work with you to resolve any issues related to your permit to bring you into compliance with the law. To locate your local BOE office, go online at www.boe.ca.gov or contact our Taxpayer Information Section at 1-800-400-7115.

What happens if I don't get my permit?

After the minimum five-day grace period, if you have not acquired a seller's permit or cleared the revoked status of your account, as confirmed by the district office, I will:

- issue you a criminal citation, for operating

without a permit or while in revoked status, as appropriate;

- inform you of the date you are to appear in court; and
- answer any related questions you may have.

What happens after I'm issued a citation?

- You must appear in court on the date and time indicated on the citation.
- The court may send you a courtesy notice of hearing. (If you do not appear, the court may issue a bench warrant for your arrest.)
- Your case will be heard before a judge.
- At the discretion of the court, you may be fined up to \$5,000 and/or sentenced to time in jail, not to exceed one year.
- The district attorney's office could seek to impose additional penalties pursuant to the Unfair Business Practices Act (Chapter 4, Business & Professions Code).
- In addition to any fines or penalties imposed by the court, you remain liable for payment of any taxes, interest, and/or penalties assessed by the BOE.

NOTE: Even if you are issued a criminal citation, it is to your benefit to make every effort to acquire or reinstate your California seller's permit, pending your court hearing. For more information regarding the citation process, you may contact the Investigations Division at 1-916-324-0105.