

RESOLUTION NO. 14-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING THE CITY OF COSTA MESA TO ENTER INTO AN AGREEMENT WITH THE STATE OF CALIFORNIA FRANCHISE TAX BOARD AUTHORIZING THE RECIPROCAL AND CONFIDENTIAL EXCHANGE OF TAX DATA IN THE CITY BUSINESS TAX PROGRAM.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, businesses operating in the City of Costa Mesa are required to pay all legally mandated local business forms and taxes; and,

WHEREAS, self-employed individuals in the State of California are required to file appropriate individual and business entity income tax returns; and,

WHEREAS, entering into a reciprocal agreement with the State of California's Franchise Tax Board's City Business Tax Program will provide the secure exchange of reciprocal tax information that may identify businesses in the City of Costa Mesa that have local business tax obligations; and,

WHEREAS, the City of Costa Mesa anticipates a positive impact on general fund revenue due to enhanced compliance with business tax laws; and

WHEREAS, the City of Costa Mesa is required to report required tax information to the State of California Franchise Tax Board annually upon request in accordance with California Revenue and Taxation Code Section 19551.5; and,

WHEREAS, participation in State of California's Franchise Tax Board's City Business Tax Program results in a waiver of cost reimbursement requirements which would otherwise apply; and,

WHEREAS, the term of the agreement between the City of Costa Mesa and the State of California's Franchise Tax Board's City Business Tax Program will be from June 1, 2014 to December 31, 2016; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Costa Mesa, California hereby:

Section 1. The City is authorized to participate in the State of California Franchise Tax Board City Business Tax Program and the Chief Executive Officer is hereby authorized to execute the agreement.

Section 2. The City Clerk shall certify to the passage and adoption of this resolution, and it shall be thereupon be in full force and effect immediately upon adoption.

PASSED AND ADOPTED this 1<sup>st</sup> day of April, 2014.

\_\_\_\_\_  
James Righeimer, Mayor

ATTEST:

APPROVED AS TO FORM:

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Brenda Green, City Clerk

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Thomas P. Duarte, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss  
CITY OF COSTA MESA )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 14-\_\_\_\_ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 1<sup>st</sup> of April, 2014, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 2nd day of April, 2014.

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BRENDA GREEN, CITY CLERK

(SEAL)