

Taxpayers'
Rights
Advocate

ANNUAL REPORT

2022-
2023



MESSAGE TO DIRECTOR

Mr. Nicolas Maduros, Director
California Department of Tax and Fee Administration

Dear Mr. Maduros,

I am pleased to present the *2022-23 Taxpayers' Rights Advocate's Annual Report*. This report features the accomplishments of the Taxpayers' Rights Advocate (TRA) Office and provides examples of how our office has assisted taxpayers.

One of the California Department of Tax and Fee Administration's (CDTFA) goals, as outlined in the *2023-25 Strategic Plan*, is to *Improve the Taxpayer Experience*. The TRA Office is excited to partner with senior leadership and program areas on initiatives to address this goal.

The TRA Office remains dedicated to serving the people of California and its businesses. We would also like to thank the entire CDTFA team for their efforts over the last year.

Respectfully submitted,

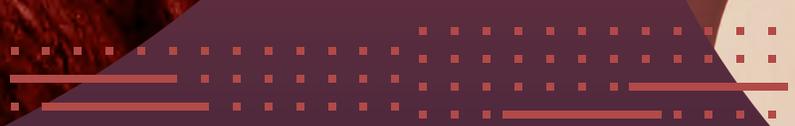
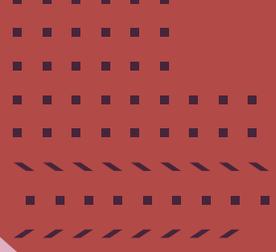


Claudette Yang
Taxpayers' Rights Advocate



TABLE OF CONTENTS

MESSAGE TO DIRECTOR	I
TABLE OF CONTENTS	III
TAXPAYERS' RIGHTS ADVOCATE OFFICE	1
Vision, Mission, Goals	2
Profile	3
Public Outreach	6
Fiscal Year 2022-23 Statistics	8
BUSINESS TAXES ISSUES	11
Case Resolution	12
About the Business Taxes Case Statistics	12
Examples of Business Taxes Cases	14
TAX APPEALS ASSISTANCE PROGRAM	19
Case Resolution	20
APPENDICES	21
Appendix 1–Outcome of Business Taxes Cases	22
Appendix 2–Most Common Issues in Business Taxes Cases	23
TAXPAYERS' RIGHTS ADVOCATE OFFICE CONTACT INFORMATION	24



TAXPAYERS' RIGHTS ADVOCATE OFFICE





VISION

To be a trusted voice of reason and fairness when resolving issues between taxpayers¹ and the government.

MISSION

To positively affect the lives of taxpayers by protecting their rights, privacy, and property during the assessment and collection of taxes and fees.

GOALS

- To ensure that taxpayers coming to the Taxpayers' Rights Advocate Office with problems that have not been resolved through normal channels have their concerns promptly and fairly addressed.
- To identify laws, policies, and procedures that present barriers or undue burdens to taxpayers attempting to comply with the tax laws; to bring those issues to the attention of the California Department of Tax and Fee Administration (CDTFA) management; and to work cooperatively to change laws, policies, and procedures where necessary.
- To meet taxpayer needs by opening appropriate channels of communication, providing educational resources, and finding creative solutions to unresolved problems.
- To promote CDTFA's commitment to honor and safeguard the rights of taxpayers.



¹ The term "taxpayers" in this publication means payers of sales and use taxes and special taxes and fees.



PROFILE

TAXPAYERS' BILLS OF RIGHTS MANDATE A TAXPAYERS' RIGHTS ADVOCATE

In January 1989, the *Harris-Katz California Taxpayers' Bill of Rights* was placed into law to ensure the rights, privacy, and property of California taxpayers are adequately protected in the assessment and collection of sales and use taxes. All holders of seller's permits and consumer use tax accounts, which together include over one million taxpayers, are provided protection under this law, which requires a Taxpayers' Rights Advocate (Advocate).

Effective January 1993, the *Special Taxes Bill of Rights* expanded the existing bill of rights to include the special tax and fee programs administered by CDTFA, which currently affect approximately 250,000 taxpayers in 38 programs. This publication refers to both bills of rights generally as the Taxpayers' Bill of Rights, covering both sales and use taxes and the various special taxes and fees.

LEGAL RESPONSIBILITIES OF THE TAXPAYERS' RIGHTS ADVOCATE

The responsibilities of the Advocate are specified in law. Consistent with the Taxpayers' Bill of Rights, the Advocate:

- Facilitates resolution of taxpayer complaints or problems, including complaints regarding unsatisfactory treatment of taxpayers by CDTFA;
- Monitors all tax and fee programs administered by CDTFA for compliance with the Taxpayers' Bill of Rights and recommends new procedures or revisions to existing policies to ensure taxpayers are treated fairly and equitably;
- Works with CDTFA to ensure that taxpayer educational materials are clear and understandable; and
- Conducts Taxpayers' Bill of Rights meetings to give the public an opportunity to express their concerns, suggestions, and comments.

HOW THE TAXPAYERS' RIGHTS ADVOCATE OFFICE FULFILLS ITS LEGAL RESPONSIBILITIES

Facilitates resolution of taxpayer complaints or problems

The TRA Office generally assists taxpayers who:

- Have been unable to resolve a matter through normal channels;
- Want information regarding CDTFA procedures;
- Claim their rights were not upheld in the assessment or collection of a tax or fee; or
- Seek confirmation that CDTFA's actions are lawful and consistent with approved policies.





The TRA Office assists taxpayers and CDTFA by facilitating better communication between these parties, which helps eliminate potential misunderstandings. Taxpayers are provided information on policies and procedures so they can better prepare to discuss and resolve their issues with CDTFA.

Occasionally, a taxpayer contacts the TRA Office complaining about discrimination or inappropriate interactions. The TRA Office works with appropriate CDTFA management to resolve these complaints. Discrimination, harassment, or wrongful behavior of any kind toward taxpayers or CDTFA team members is not tolerated and is immediately addressed by CDTFA management.

The Advocate oversees the Tax Appeals Assistance Program, which allows taxpayers who meet certain criteria and have filed an appeal with CDTFA the opportunity to seek free legal assistance. For more information, see the [Tax Appeals Assistance Program](#) section.

Monitors programs and recommends policy or procedural changes

In cases where a CDTFA team member's actions are mandated by law, policy, or procedure, but where a change appears warranted, the TRA Office works toward clarification or modification of that law, policy, or procedure. Taxpayer suggestions have led to policy and procedural changes, enhancements to training materials, and proposals for legislative change.

The TRA Office routinely brings the taxpayer's perspective to all areas of CDTFA. We participate in policy discussions and interested parties meetings, meet regularly with senior management, conduct focused discussions on policy issues with senior management, and participate in work groups tasked with changing policy and procedures.



Ensures laws, information, and guidance are easy to understand

The TRA Office suggests ideas for new legislation and participates in task forces and committees responsible for revising procedures and regulations. Additionally, we routinely review proposed revisions to taxpayer educational materials to ensure they are easy to understand. The TRA Office also provides this information to the public through participation in public forums, business fairs, and conferences.

Conducts Taxpayers' Bill of Rights Meetings

At annual Taxpayers' Bill of Rights meetings, the TRA Office invites the public to present ideas, discuss issues, express concerns, and share recommendations regarding legislation and other items related to CDTFA's administration of tax and fee programs. The TRA Office then works with the appropriate program areas to address the issues and concerns taxpayers conveyed.

Collaborates with Taxpayer Advocates in other Government Agencies

CDTFA's Advocate meets with taxpayer advocates from the Franchise Tax Board (FTB), the State Board of Equalization (BOE), the Employment Development Department (EDD), and the Internal Revenue Service (IRS), as well as with the Small Business Advocate in the Governor's Office of Business and Economic Development (GO-Biz) and the Ombudsperson from the Office of Tax Appeals (OTA). The group discusses common problems and systemic issues facing California taxpayers and coordinates outreach to community groups.

Implements the Taxpayers' Bill of Rights

CDTFA assesses and collects business taxes (sales and use taxes and special taxes and fees). The Advocate reports directly to CDTFA's Director and is independent of CDTFA's tax programs. When the TRA Office receives complaints relating to CDTFA's business tax programs, the office directly accesses all pertinent CDTFA information and communicates with CDTFA team members involved with the taxpayers' issues.

The TRA Office sometimes acts as a liaison between taxpayers and CDTFA team members to resolve issues. If the Advocate disagrees with a team member's actions and is unable to resolve the situation with program management, the Advocate may bring the issue to the Director for resolution. In addition, the Advocate has the authority under the Taxpayers' Bill of Rights to take certain actions to protect taxpayers from irreparable harm, such as issuing a stay of collection action, releasing a levy, or ordering the return of levied funds. The Advocate may also decide to release or subordinate a lien when that action will facilitate the collection of the tax liability or will be in the best interest of the State and the taxpayer. The [Business Taxes Issues](#) section contains examples of how taxpayers' complaints have been resolved.





PUBLIC OUTREACH

CDTFA notifies the public of the services offered by the TRA Office in many CDTFA publications posted on Internet websites and presented by the TRA Office at public events.

PUBLICATIONS WITH TAXPAYERS' RIGHTS ADVOCATE OFFICE INFORMATION

- [Publication 70](#), *Understanding Your Rights as a California Taxpayer*, contains information about specific taxpayer rights under the law and the Advocate's role in protecting those rights. This publication is available in all CDTFA offices and on CDTFA's website.
- [Publication 468](#), *California Taxpayers' Bills of Rights Statutes*, contains all the Taxpayers' Bill of Rights statutes administered by CDTFA and is available on CDTFA's website.
- [Publication 215](#), *Tax Appeals Assistance Program*, explains to prospective clients the help available from the Tax Appeals Assistance Program, overseen by the Advocate (see the [Tax Appeals Assistance Program](#) section of this report). It is available on CDTFA's website.
- [Publication 145](#), *California Taxpayer Advocates (CDTFA, BOE, EDD, FTB, IRS, GO-Biz, and OTA)*, is posted on the websites of participating state agencies and the California Tax Service Center website at www.taxes.ca.gov.

Articles reminding taxpayers about their rights and referencing publication 70 are published each year in CDTFA newsletters.

Contact information for key [TRA Office team members](#) can be found at the back of this *Annual Report*.





INTERNET AND TELEPHONE

- The California Tax Service Center website, www.taxes.ca.gov, contains links to all California Taxpayer Advocates' webpages and the [publication 145](#), *California Taxpayer Advocates*, via the *Your Rights* option under the *Contact Us* tab.
- The TRA Office's webpage, www.cdtfa.ca.gov/tra, can be accessed from any page of CDTFA's website. The webpage provides our contact information and a means for taxpayers to communicate with the TRA Office directly via email.
- The TRA Office's toll-free number, 1-888-324-2798, is available as an option on all field office telephone lines, is referenced in CDTFA publications, and is printed on all CDTFA-issued permits and licenses.

PUBLIC EVENTS

The TRA Office ensures the public is aware of its services through the following types of events:

- CDTFA-sponsored events: the Advocate, or their designee, attends small business and nonprofit fairs and seminars throughout the state.
- Non-CDTFA-sponsored events: direct contact with the public, and some presentations are made at conventions, fairs, and conferences designed to assist California business owners. They are sponsored by consortia of industry and business groups, such as the IRS Nationwide Tax Forum, the annual California Lawyers Association's Tax Policy Conference, and the California Small Business Day in Sacramento.



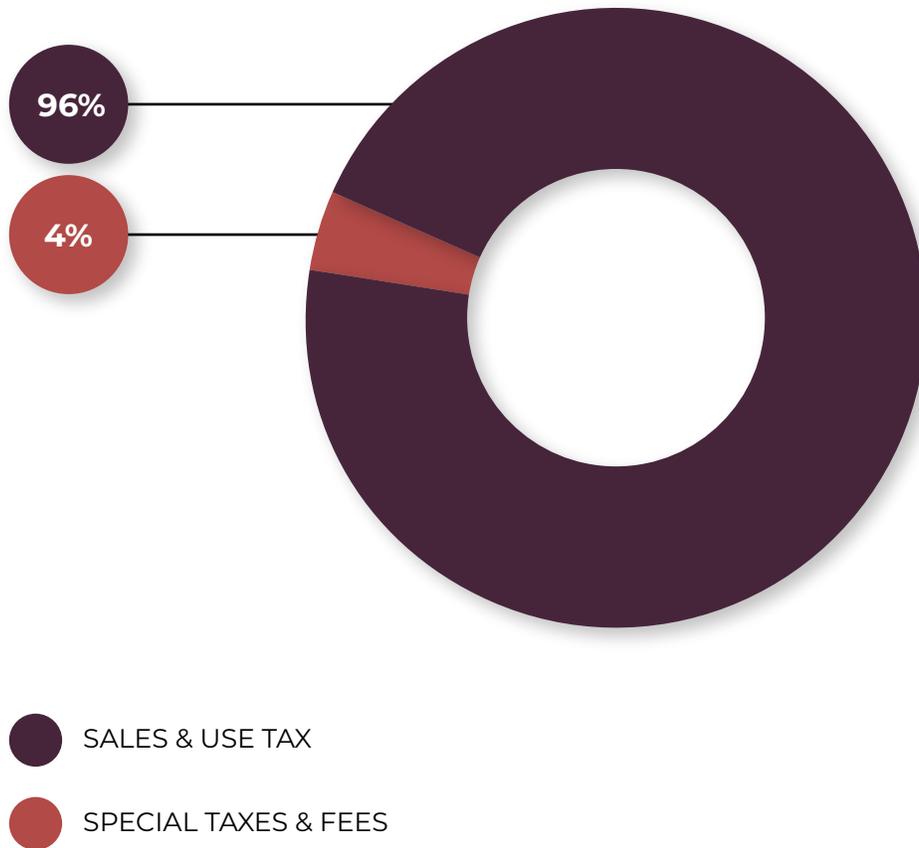
FISCAL YEAR 2022-23

BY THE NUMBERS

CASES

The TRA Office recorded 286 new business taxes cases in fiscal year 2022-23. Of the 286 cases, 96 percent were related to sales and use tax issues, while 4 percent were related to special tax and fee issues.²

PERCENTAGE OF CASES BY TAX/FEE PROGRAM



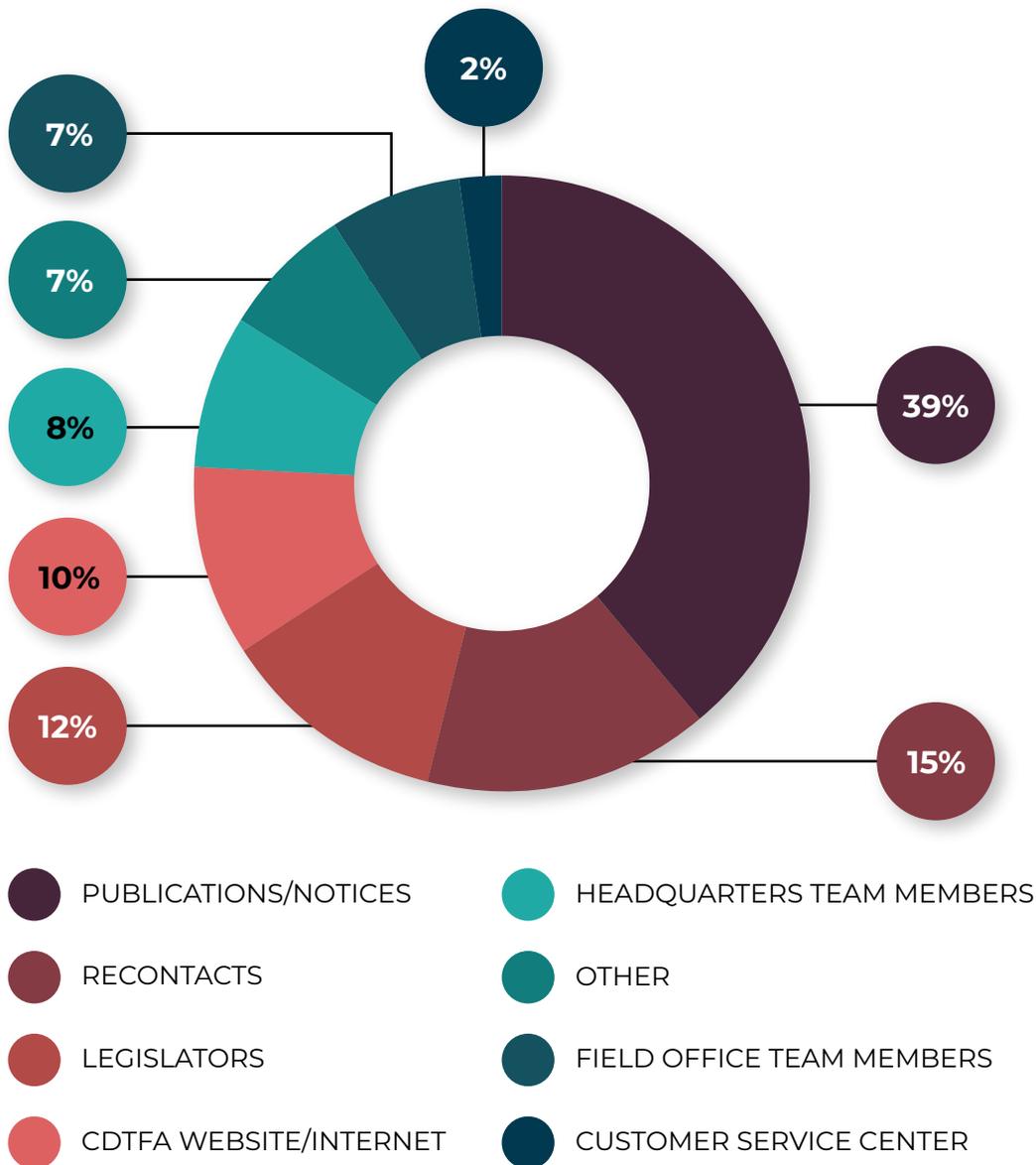
² Calls referred to other agencies were not tracked, but historically have ranged between two and four percent.



REFERRALS

To gauge the effectiveness of the TRA Office's outreach efforts and to improve public service, the TRA Office tracks the source of referrals to its office. The CDTFA website and CDTFA publications accounted for the largest source of referrals.³

HOW TAXPAYERS WERE REFERRED TO THE TRA OFFICE



³ The "other" category consists of various types of referrals, each comprising less than two percent of the total, including referrals from other agencies, the Office of the Director, the taxpayers' representatives, and outreach events.



TELEPHONE CALLS

The TRA Office received an average of 320 calls per month in fiscal year 2022-23. Five percent of the calls resulted in new cases. Due to the broad availability of the TRA Office's toll-free telephone number, the TRA Office receives many contacts from taxpayers and others who seek general information about a tax program or the application of tax law or who have not yet attempted to resolve their various concerns with CDTFA through normal channels.

The TRA Office assists all callers, including those seeking information from other state agencies, and directs the callers to the appropriate division, CDTFA section, or individual as necessary. Information on resources, such as the CDTFA website, is also provided. The TRA Office always invites the caller to call back should they not reach the area they need, or if they require additional information.



BUSINESS TAXES ISSUES



CASE RESOLUTION



The TRA Office's cases consist of businesses and individuals liable for business taxes. The primary goal of the TRA Office is to ensure that taxpayers contacting the office have their concerns promptly and fairly addressed if they have not been resolved through normal channels.

The Advocate and TRA Office team members apply their extensive knowledge of CDTFA programs, policies, and procedures to advise taxpayers of their rights and obligations. They explain the tax law and CDTFA policies and seek creative and appropriate solutions acceptable to taxpayers and CDTFA.

The following examples illustrate the services the TRA Office provided to its customers this year.

ABOUT THE BUSINESS TAXES CASE STATISTICS

During fiscal year 2022-23, the TRA Office recorded 286 new business taxes cases.

Outcome of Business Taxes Cases

[Appendix 1](#) provides information about business taxes cases categorized by location. A specific CDTFA field or Headquarters office or other government agency was designated as the location for a case if the taxpayer contacted the TRA Office regarding an action taken by one of those specific offices. "Other" was generally designated as the location for cases where individuals sought general information or where the office was not disclosed. The TRA Office tracked a broad range of cases and their critical outcomes.

Customer Service Concerns. The TRA Office works collaboratively with other CDTFA team members to prioritize customer service and closely monitors the number and type of customer service concerns. Ensuring taxpayers are treated fairly and receive quality customer service is a key component of the Taxpayers' Bill of Rights. Accordingly, the TRA Office brings taxpayer complaints regarding customer service to the attention of the field office administrator or Headquarters section manager with a request to investigate the taxpayer's allegations and inform the TRA Office of their findings. If the TRA Office notes a trend or pattern regarding the type or number of complaints in a specific CDTFA office, the TRA Office brings the matter to the attention of the Deputy Director of the Field Operations Division or the Business Tax and Fee Division, as applicable.





Customer service concerns are categorized as:

- *Communication*: providing incorrect information, not acknowledging a taxpayer’s concerns, not referring the taxpayer to a supervisor when requested, not answering specific taxpayer questions, or not providing enough information or notice to facilitate taxpayer compliance;
- *CDTFA delay*: slow response to an inquiry or a delay in issuing a refund or resolving the taxpayer’s case;
- *CDTFA team member courtesy*: showing disrespect or a lack of common courtesy to a taxpayer indicated by the team member’s demeanor, manner of handling the taxpayer’s case, or comments made by CDTFA team members; and
- *Education*: failing to provide or providing inadequate information regarding tax law, CDTFA policies and procedures, or training.

Ten percent of all cases this year expressed concerns related to customer service. The customer service statistics were based on taxpayers’ statements. Please see [Appendix 1](#) and [Appendix 2](#) for more information.

Case Handling Concerns. After investigating a taxpayer’s concerns, the TRA Office ascertains the nature of the issue and where the problem lies. In almost all instances, CDTFA team members handle the situation as required by legal, regulatory, and procedural mandates, but other issues or circumstances may still need to be addressed. As a result, the TRA Office may recommend a different approach to satisfy both CDTFA and the taxpayer.

In instances where the TRA Office disagrees with CDTFA’s handling of a case, the TRA Office works with CDTFA team members to resolve taxpayers’ concerns and to address issues. These instances comprise a small percentage of the business taxes cases—less than one percent in fiscal year 2022-23 (see Appendix 1). A case is recorded as “disagreed with case handling” only when the TRA Office finds that CDTFA team members:

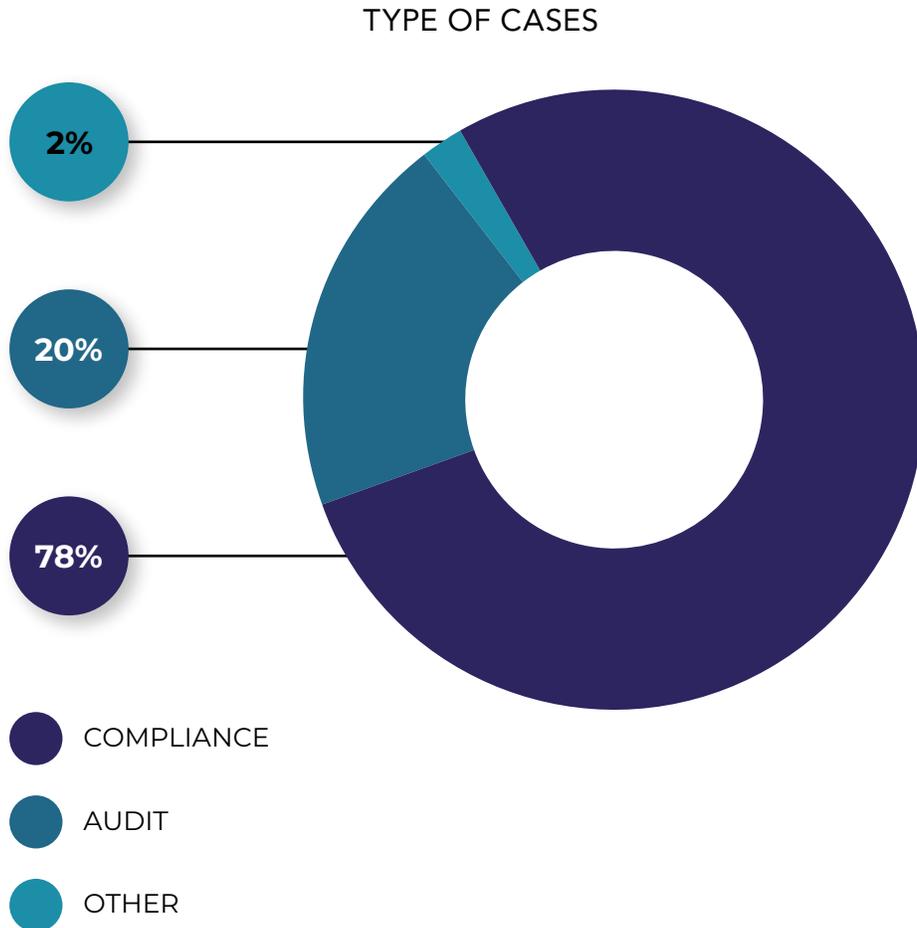
- Did not adhere to the law or approved policies or procedures;
- Acted contrary to what they told the taxpayer;
- Caused unreasonable delays; or
- Violated the taxpayer’s rights.



The Advocate meets quarterly with the appropriate bureau chiefs to discuss these cases and to provide the opportunity to address specific training needs.

Taxpayer inquiries cover a wide range of issues

Types of Cases. Business taxes cases are sorted broadly into “compliance,” “audit,” or “other” categories. The “other” category represents customer concerns and complaints, general information requests, and matters involving other government agencies.



Specific Issues Leading to TRA Office Contacts. Each case may contain a variety of issues that prompt the taxpayer to contact the TRA Office. All issues in each case are tracked, and the most common are displayed in [Appendix 2](#).

Many of the business taxes cases demonstrate the need for general information and guidance. Taxpayers often seek information on a procedure or process or whether CDTFA’s action was necessary and in compliance with the law and CDTFA policy.



EXAMPLES OF BUSINESS TAXES CASES

The following cases illustrate how the TRA Office offers a fresh look at taxpayers' issues and attempts to resolve them with CDTFA's cooperation.

TRA Office intervention results in the cancellation of amounts assessed in audit.

Background. The *Marketplace Facilitator Act (MFA)* provides that beginning October 1, 2019, a marketplace facilitator is generally responsible for collecting, reporting, and paying the tax on retail sales made through their marketplace for delivery to California customers. Below are the general definitions.

- *Marketplace*—A physical or electronic place where marketplace sellers sell or offer for sale tangible merchandise for delivery in this state.
- *Marketplace facilitator*—In general, a person who contracts with marketplace sellers to facilitate the sale of the marketplace sellers' products through a marketplace operated by the person or a related person.
- *Marketplace seller*—A person who has an agreement with a marketplace facilitator and makes retail sales of tangible merchandise through a marketplace owned, operated, or controlled by a marketplace facilitator.

Issue. An out-of-state taxpayer voluntarily registered and participated in the Managed Audit Program, which allows taxpayers, under the direction of a CDTFA auditor, to review their own records to determine whether they have fully met their obligations under state, local, and district sales and use tax and special tax and fee laws. The taxpayer's business had nexus in California due to inventory being stored and shipped from warehouses in California. The audit covered periods from April 1, 2016, through December 30, 2020.

The auditor found no reporting differences for the period from April 2016 to September 2019. However, the auditor requested sales data for the period from October 2019 through December 2020, and the taxpayer responded that the sale and use taxes for the sales from this period were collected and paid by the marketplace facilitator. However, the auditor estimated that approximately \$12,000 in additional sales tax was due for this period and issued a determination for the taxes due plus interest and a 10 percent negligence penalty. The taxpayer contacted the TRA Office because they disagreed with the audit findings.

Resolution. The TRA advisor reviewed the law and policy relating to the MFA and determined that the taxpayer solely made sales to California customers through a marketplace. In addition, the TRA advisor confirmed that the marketplace facilitator collected and reported the sales tax for the taxpayer's sales for the period in question.

The TRA advisor contacted the audit principal in the office that oversaw this audit to discuss the case and the application of the MFA to the taxpayer's sales for the period in question. The audit principal agreed with the TRA advisor and canceled the estimated billing for this period.

Summary. The TRA Office's ability to facilitate discussions with various program areas regarding taxpayer issues and its knowledge of various tax and fee programs, policies, and procedures play a vital role in resolving taxpayer issues with CDTFA.



A free lien release issued with TRA Office's assistance.

Background. A lien is a legal claim to property and is used as security or payment for outstanding tax debt. A lien is valid for 10 years from the date it is filed and can generally be renewed twice for a total of 30 years.

Issue. On December 16, 2022, a taxpayer received a letter indicating that their payment plan would be terminated because they had not made the payments as stipulated in the plan. The letter also stated that the taxpayer must contact the team member handling their case by December 31 to avoid having CDTFA terminate the plan and take collection action. As a result, the taxpayer reached out to the team member on December 29, and the two parties agreed to a new payment plan. The team member sent the taxpayer a new letter on December 30 outlining the terms of the newly agreed upon payment plan.

On January 4, 2023, the taxpayer contacted the team member because he received notification that a lien had been filed on December 29, 2022. He explained that he complied timely with CDTFA's letter and that the lien should not have been filed. The team member and the Department's unit that handles liens both explained to him that since he was not in an approved payment plan at the time the lien was filed, it was a valid lien.

The taxpayer contacted the TRA Office because he believed that his rights were violated.

Resolution. By statute, a lien may be filed 30 days after the taxpayer is notified in writing that a lien may be filed. Generally, it is CDTFA's policy not to file a lien until 180 days after the taxpayer is provided with such notification. However, if payments are being received pursuant to a payment plan, the liability is less than 30 months old, and the taxpayer's financial documentation indicates a lien is not necessary to secure the state's interest, a lien should not be filed.

In this case, because the taxpayer entered into a new payment plan before the deadline provided by CDTFA, the TRA Office contacted the unit that oversees lien filing and releases and explained that a lien release was warranted. The taxpayer's actions were timely, and the circumstances aligned with existing policy that should have prevented a lien from being filed. As a result, CDTFA issued a "free release of lien" which indicates that the lien was filed in error. A "free release of lien" is different than a "lien release" in that it will not impact the taxpayer negatively.



Summary. One of the functions of the TRA Office is to ensure CDTFA adheres to its policies and procedures. In this case, the TRA Office facilitated discussions with the program area regarding policy and explained that the taxpayer complied with the instructions requested by the team member. As a result, the taxpayer received a “free release of lien.”

TRA Office’s knowledge of audit procedures helped taxpayer obtain a reaudit.

Background. Taxpayers generally have 30 days to appeal the amounts due by filing a timely petition in response to a Notice of Determination (NOD). CDTFA also has the discretion to accept a late appeal as an administrative protest.

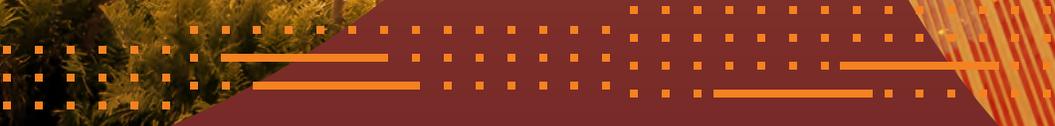
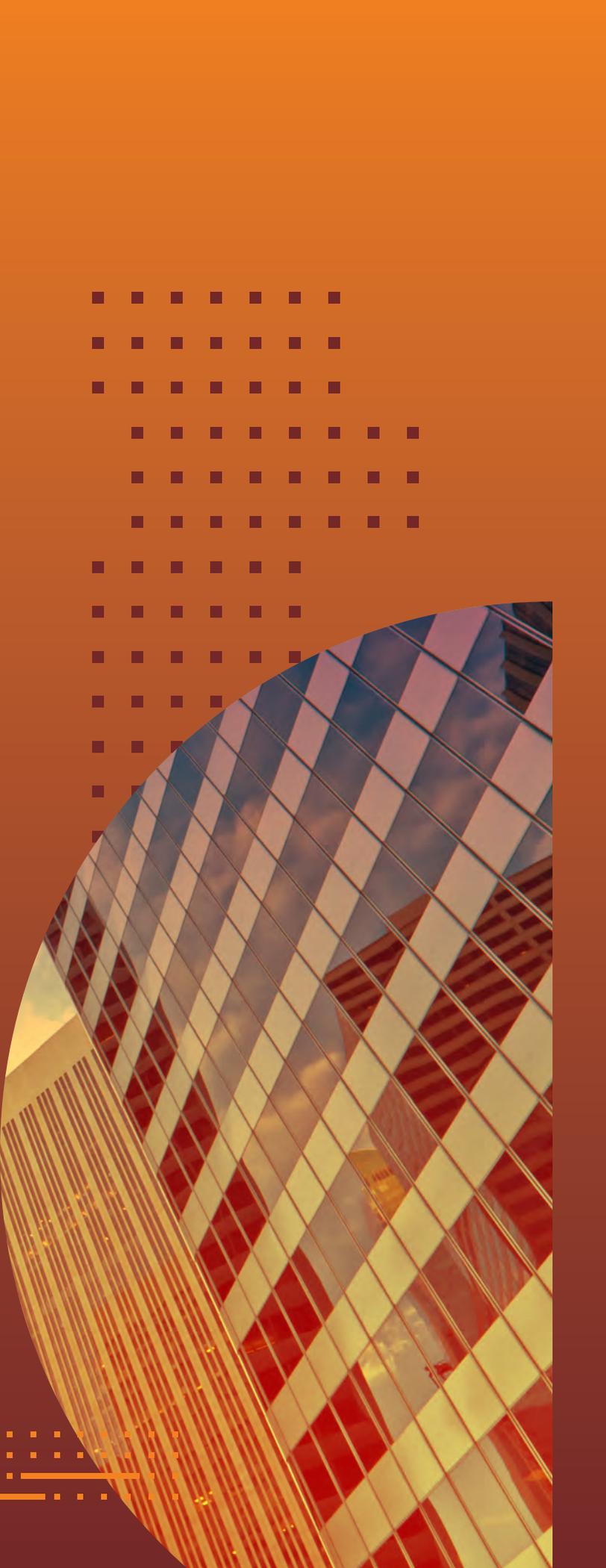
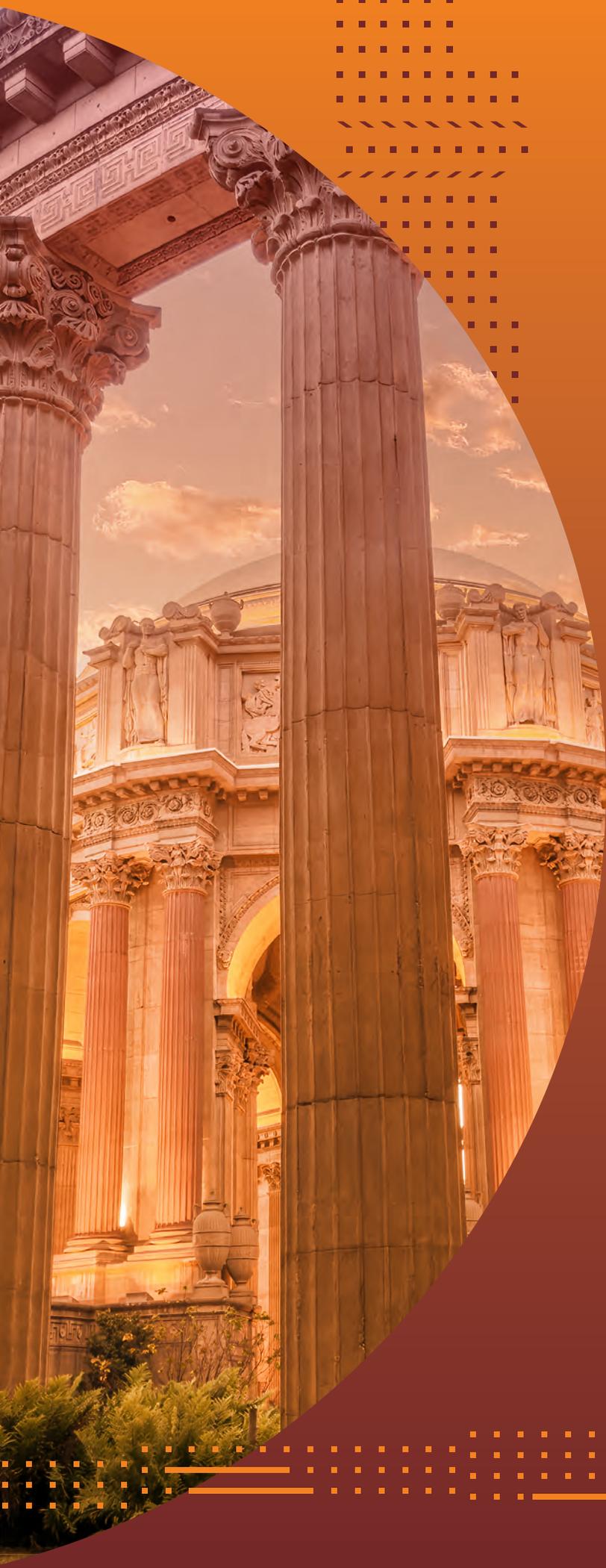
Issue. A taxpayer sought to dispute a recent audit liability by filing a late petition for redetermination. At the same time, CDTFA levied the taxpayer’s bank account. The program area determined that it did not have grounds to release the levy because the taxpayer was late filing their petition for redetermination and further stated that it would not accept the late petition as an administrative protest.

In this case, the taxpayer contacted their local field office and was advised to contact the auditor handling their audit to discuss their contentions with the audit liability. In response, the taxpayer contacted the TRA Office for assistance.

Resolution. The TRA Office reviewed the audit assessment and requested that the levy be held pending the outcome of the review. According to the taxpayer, the auditor assumed that the taxpayer purchased additional inventory from an unknown vendor without paying the tax. After the TRA Office reviewed the audit working papers, they spoke with the audit supervisor and requested additional information to substantiate the amounts assessed and the auditor’s contentions that the taxpayer made purchases from an unknown vendor. Since the auditor could not substantiate the estimate, a reaudit was conducted to remove the estimated portion of the liability contested by the taxpayer.

In the meantime, the bank processed the levy that the advisor had asked to be held. However, because the taxpayer’s business was undergoing a reaudit, the field office handling the collection of the case agreed to return the levied funds to the taxpayer. Fortunately, with the help of CDTFA team members, the levied funds were intercepted before they were applied to the taxpayer’s CDTFA account and returned to the taxpayer’s bank account. In addition, the TRA Office assisted the taxpayer with negotiating a payment plan for the remaining outstanding liability.

Summary. The TRA Office’s independent review and knowledge of compliance and audit procedures was instrumental to correct the taxpayer’s audit liability, release the levy, and assist the taxpayer with entering into a payment plan. As a result, the audit liability was reduced by more than \$25,000.



TAX APPEALS ASSISTANCE PROGRAM





The Tax Appeals Assistance Program (TAAP) was created by the Taxpayers' Rights Advocate to provide low-income and underrepresented taxpayers who have filed an appeal with CDTFA the opportunity to seek free legal assistance. TAAP provides taxpayer assistance through the appeals process with CDTFA. Supervised by a CDTFA tax attorney, law students advise qualifying individuals and businesses who have filed appeals under \$30,000. The students research and draft appeal briefs and handle questions on behalf of the taxpayer. TAAP assists taxpayers whose appeals address billings by CDTFA for specific issues within one of the following programs:

- Cigarette Internet Purchases
- Civil Violations of California Cigarette/Tobacco Products Licensing Act
- Consumer Use Tax
- Customs
- Dual Determinations
- Environmental Fee
- Generator Fee
- Sales and Use Tax
- Successor Liability
- Underground Storage Tank Fee

TAAP works with several law schools in California. All schools listed are not always participating with TAAP. The schools TAAP has participated with are:

- Loyola Law School, Los Angeles
- Chapman University School of Law
- Golden Gate University School of Law
- University of San Diego School of Law
- Lincoln Law School of Sacramento
- University of California, Irvine School of Law
- University of San Francisco School of Law

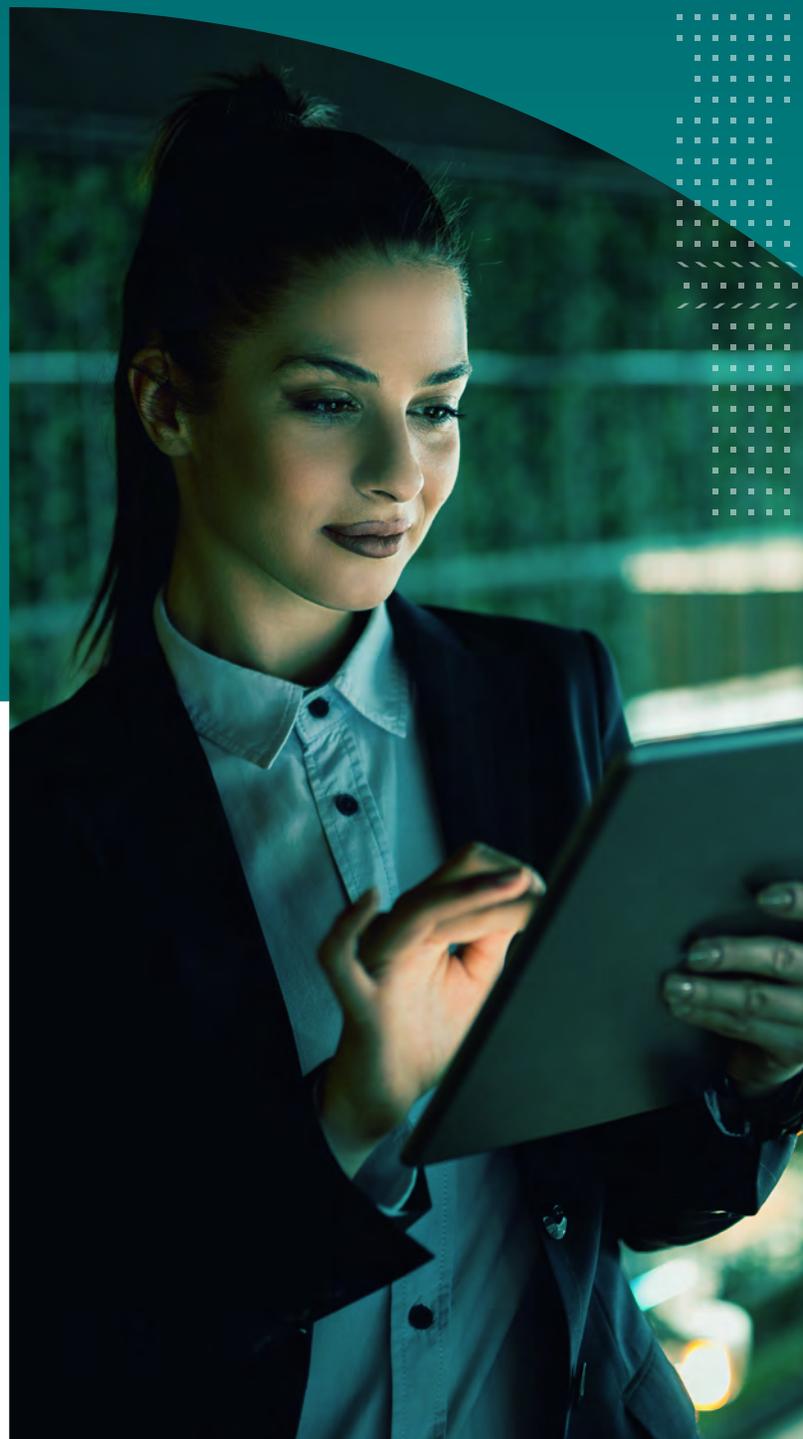
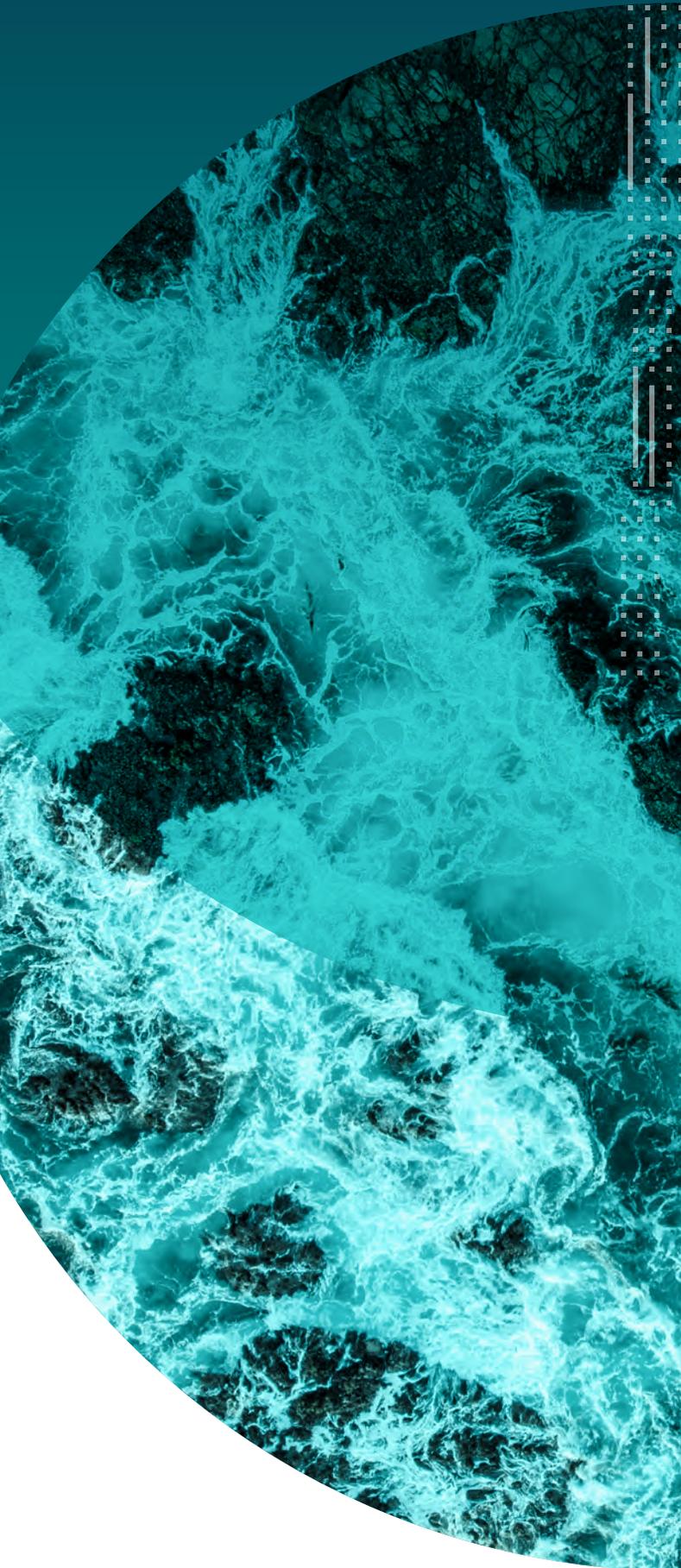
TAAP is well-received by all law schools and the program's clients. The Advocate will continue to coordinate TAAP cases with both the Appeals Bureau and the Business Tax and Fee Division.

CASE RESOLUTION

During fiscal year 2022-23, 476 individuals and businesses were informed about the program, 99 new cases were accepted, and 34 cases were resolved. TAAP makes a positive difference in the lives of its clients. This year's completed cases have fulfilled the purposes of the program, which are to:

- Provide effective representation to taxpayers with cases that do not economically justify hiring representation;
- Resolve cases to achieve the program objectives of educating and assisting taxpayers in voluntarily complying with California's tax laws while minimizing their tax compliance burden;
- Enhance the preparation and quality of the appeals going to the Office of Tax Appeals (OTA); and
- Promote and achieve more efficient and cost-effective resolution of taxpayer appeals.

APPENDICES



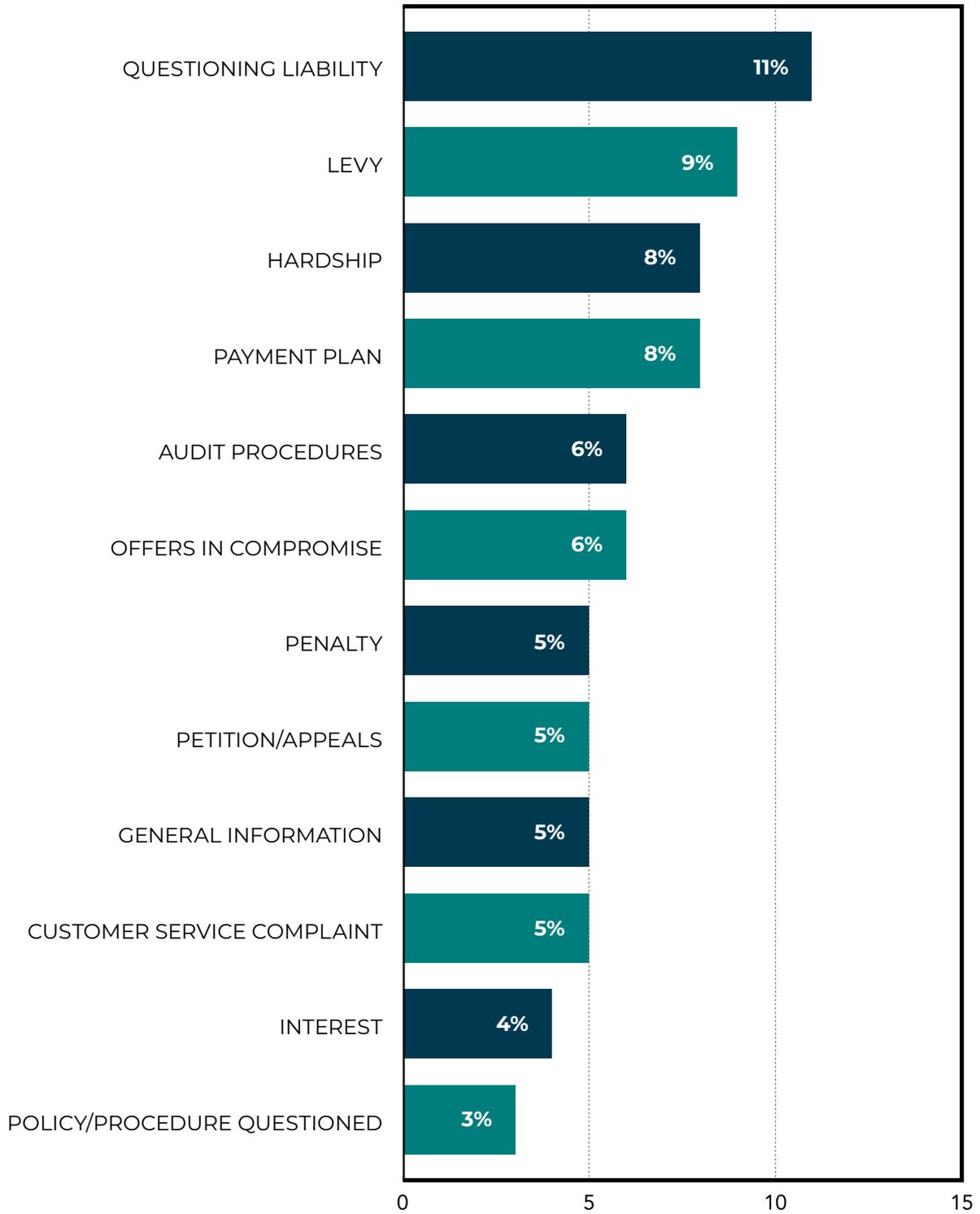
APPENDIX 1—OUTCOME OF BUSINESS TAXES CASES

Location	Types of Cases			Total Cases	Customer Service Concerns	Case Handling Changed ¹
	Audit	Compliance	Other			
Appeals	1	1	0	2	0	0
Appeals Bureau (all programs, at conference level and above)	1	0	0	1	0	0
Audit Determination and Refund Section	1	2	0	3	0	0
Bakersfield Branch	0	3	1	4	0	1
Cerritos Office	0	8	0	8	2	1
Collections Support Bureau	0	1	0	1	1	0
Consumer Use Tax	0	12	0	12	2	0
Culver City Office	4	10	0	14	1	1
Fairfield Branch	0	3	0	3	1	0
Fresno Office	3	7	0	10	0	0
Glendale Office	4	10	0	14	0	1
Irvine Office	7	17	0	24	3	2
Motor Carrier Office	0	1	0	1	0	0
Oakland Office	1	10	0	11	2	2
Offer in Compromise	0	6	0	6	0	0
Other ²	0	2	4	6	0	0
Out-of-State Offices	1	7	0	8	1	0
Petitions	2	0	0	2	1	0
Program and Compliance Bureau	0	8	0	8	1	0
Rancho Cucamonga Office	0	1	0	1	0	0
Rancho Mirage Branch	0	2	0	2	0	0
Redding Branch	0	2	0	2	0	0
Riverside Office	7	20	1	28	1	1
Sacramento Office	4	37	0	41	4	2
Salinas Branch	0	1	0	1	0	0
San Diego Office	5	7	0	12	3	2
San Francisco Office	0	4	0	4	1	0
San Jose Office	0	9	0	9	0	1
Santa Clarita Office	0	4	0	4	0	1
Santa Rosa Office	4	1	0	5	0	0
Settlement	1	0	0	1	0	0
Tax Investigations and Inspections Bureau	0	1	0	1	0	0
TRA Office	0	0	1	1	1	0
Use Tax Administration Section	0	6	0	6	0	1
Ventura Office	4	8	0	12	1	1
West Covina Office	6	12	0	18	4	2
Total	56	223	7	286	30	19

¹ Involvement by the TRA Office resulted in a change to the outcome of a case. See the [Business Taxes Issues](#) chapter for additional information.

² The category of “other” under “location” includes cases that have no office of origin—for example, contacts from the public asking questions about how tax applies or requesting general information; or cases where the office was not disclosed.

APPENDIX 2—MOST COMMON CASE ISSUES



TAXPAYERS' RIGHTS ADVOCATE OFFICE CONTACT INFORMATION

TAXPAYERS' RIGHTS ADVOCATE OFFICE

450 N Street, MIC:70
PO Box 942879, Sacramento, CA 94279-0070
Toll-Free: 1-888-324-2798 Fax: 1-916-323-3319
www.cdtfa.ca.gov/tra

TAXPAYERS' RIGHTS ADVOCATE⁴

CLAUDETTE YANG
1-916-309-8302

TECHNICAL ADVISOR TO THE ADVOCATE

Alfred Buck 1-916-309-5494

OFFICE MANAGER

Jeff Koch 1-916-309-5272

BUSINESS TAXES TECHNICAL ADVISORS

Diana Tay, *Lead* 1-916-309-0065
Natalie Capehart
Jessie Sahota
Kristina Pehur
Jane Vassar

TAX APPEALS ASSISTANCE PROGRAM

Michael Larkin, *Tax Counsel*
Quyen Nguyen Del Mar, *Administrative Analyst* 1-916-309-5496

Copies of this publication may be ordered from the Taxpayers' Rights Advocate Office by calling 1-888-324-2798, by writing to the address above, or by downloading from the website shown above.

⁴ William J. Hain was the Advocate for the fiscal year 2022-23.

FOLLOW US ON SOCIAL MEDIA



PUBLICATION 316 | MARCH 2024