



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



DATE: June 19, 2012
BOARD MEETING DATE: June 26, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: John L. Maltbie, County Manager

SUBJECT: Authorization of MuniServices to Examine the State Board of Equalization's Sales and Transactions and Use Tax Records Regarding the County

RECOMMENDATION:

Adopt a Resolution authorizing MuniServices to examine the State Board of Equalization's Sales and Transactions and Use Tax Records regarding the County pursuant to California Revenue and Taxation Code Section 7056.

BACKGROUND:

In December 2011, the County completed an RFP process for Sales Tax Auditing and Consulting Services and Hinderliter, de Llamas & Associates (HdL) was the successful candidate. Following the RFP process, County staff was contacted by MuniServices to determine the County's interest in receiving quarterly economic reports in exchange for the County's sales and transactions and use tax data at the State Board of Equalization ("SBE"), at no cost to the County.

DISCUSSION:

Many of the reports provided by MuniServices under the Agreement would have a focus on economic development. These reports include quarterly cash receipts analysis, multi-year sales tax forecasts, sales tax capture and gap analysis, economic updates of current sales tax related events, and an executive summary which highlights economic changes, historical performance, and news. These reports will enhance and not supplant the sales and transactions and use tax information received from HdL. In situations in other jurisdictions where their roles are reversed, HdL has similar "no fee" arrangements with other public entities to examine such entities' SBE sales and transactions and use data, where MuniServices is the primary sales tax consultant, including but not limited to the City and County of San Francisco.

County Counsel has reviewed and approved the Resolution as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a

Collaborative Community by maximizing sales and transaction and use tax revenues and ensuring that sound practices are used to project sales and transaction and use taxes for budgeting purposes. Sales and transactions and use tax revenue is a significant general purpose funding source that can be used at the Board's discretion to provide services that achieve the County's vision.

FISCAL IMPACT:

None.