

**CITY OF SAN MATEO  
RESOLUTION NO. \_\_\_\_ (2025)**

**AUTHORIZATION OF THE EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS**

**WHEREAS**, pursuant to San Mateo Municipal Code Chapters 3.50 and 3.52, the City of San Mateo entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of the Transactions and Use Tax Ordinances and the local sales and use taxes; and

**WHEREAS**, the City of San Mateo deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected by the Department for the City pursuant to that contract, including the City of San Mateo Transactions and Use Tax; and

**WHEREAS**, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** That the City Manager, Assistant City Manager, Finance Director, Community Development Director, Deputy Finance Director, Economic Development Manager, Budget Manager, Budget Analyst or other officer or employee of the City designated in writing by the City Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the City with authority to examine sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by the Department pursuant to the contract between the City and the Department.

**Section 2.** The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to that contract, and for purposes related to the following governmental functions of the City:

- (a) Forecasting and budget planning
- (b) Tracking and economic development
- (c) Detection of misallocation and deficiencies
- (d) Real property services

The information obtained by examination of Department records shall be used only for those governmental functions of the City listed above.

**Section 3.** That Hinderlighter de Llamas and Associates is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the City and Hinderlighter de Llamas and Associates:

- a) has an existing contract with the City to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this Resolution to examine the information.

- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records, after that contract has expired.

**Section 4.** That the information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to the contract between the City and the Department and for those purposes relating to the governmental functions of the City listed in section 2 of this Resolution.

**Section 5.** That this Resolution supersedes all prior Resolutions of the City Council of the City of San Mateo adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

**Section 6.** Adoption of this Resolution authorizing the examination of sales or transactions and use tax records is not a project subject to CEQA, because it consists of a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment. (CEQA Guidelines Section 15378(b)(4).)