

RESOLUTION NO. 2023-035

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING HINDERLITER, DE LLAMAS & ASSOCIATES TO EXAMINE
TRANSACTIONS AND USE TAX RECORDS ON FILE WITH THE CALIFORNIA
DEPARTMENT OF TAX AND FEE ADMINISTRATION**

WHEREAS, pursuant to Ordinance No. 23-2022 of the City of Elk Grove (City) and Revenue, Taxation Code section 7270, and Resolution No. 2022-300, the City entered into an agreement with the California Department of Tax and Fee Administration (Department) to perform all functions incidental to the administration and collection of transactions and use taxes; and

WHEREAS, the City Council of the City of Elk Grove deems it desirable and necessary for authorized representatives of the City to examine confidential transactions and use tax records of the Department pertaining to transactions and use taxes collected by the Department for the City pursuant to that agreement; and

WHEREAS, pursuant to Resolution No. 2022-300, authorized personnel of the City are permitted to examine the records of the Department. Information obtained by the City from examination of the Department's records can only be used by the City for purposes related to the collection of transactions and use taxes by the Department; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code requires that any person designated by the City shall have an existing contract to examine the City's sales and use tax records; 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, BE IT RESOLVED by the City Council of the City of Elk Grove as follows:

Section 1. That Hinderliter, De Llamas & Associates dba HdL Companies (HdL Companies) is hereby designated to examine the transactions and use tax records of the Department pertaining to transactions and use taxes collected for the City by the Department. The person or entity designated by this section will meet all of the following conditions upon full execution of the Amendment, which are also included in the contract between the City and HdL Companies:

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

Section 2. That the information obtained by examination of Department records shall be used only for purposes related to the collection of City transactions and use taxes and the following governmental functions:

- (a) Budget Development
- (b) Revenue analysis and forecasting
- (c) Economic Development
- (d) Economic Analysis
- (e) Strategic Planning and Innovation

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 22nd day of February 2023




BOBBIE SINGH-ALLEN, MAYOR of the
CITY OF ELK GROVE

ATTEST:


JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:


JONATHAN P. HOBBS,
CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2023-035

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on February 22, 2023 by the following vote:

AYES: **COUNCILMEMBERS:** *Singh-Allen, Spease, Brewer, Robles, Suen*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



Jason Lindgren, City Clerk
City of Elk Grove, California