

**RESOLUTION NO. 2020 -**

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STATE OF CALIFORNIA**

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**AUTHORIZING EXAMINATION OF TRANSACTIONS (SALES) AND USE TAX RECORDS**

**WHEREAS**, on June 7, 1988, the voters of San Mateo County (County) authorized enactment of Ordinance No. 1988-1 via a ballot measure known as "Measure A," which created the San Mateo County Transportation Authority (Authority) and increased the local sales tax in the County by one-half percent with the new tax revenue to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan presented to the voters; and

**WHEREAS**, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the Authority of the New Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan beginning January 1, 2009; and

**WHEREAS**, pursuant to Resolutions No. 1988-1 and 1988-2, and Section 7270 of the Revenue and Taxation Code, the Authority Board of Directors first authorized the Executive Director to enter into contracts with the California Department of Tax and Fee Administration (CDTFA) (formerly the Board of Equalization) to perform all functions incident to the administration and operation of the Authority's Transactions and Use Taxes; and

**WHEREAS**, the Authority deems it desirable and necessary for authorized representatives of the Authority to examine confidential sales, use and transactions

tax records of the CDTFA pertaining to the Authority 's Transactions and Use Taxes collected by the CDTFA for the Authority pursuant to that contract; and

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

**WHEREAS**, pursuant to Resolution No. 1994-10, the Authority designated the Director of Finance, or other officer or employee of the Authority designated in writing by the Executive Director, to represent the Authority with authority to examine transactions and use tax records of the CDTFA pertaining to Authority transactions and use taxes; and

**WHEREAS**, the Executive Director recommends the Authority replace Resolution No. 1994-10 and designate the Chief Financial Officer, the Director of Treasury, ~~and~~ the Treasury Manager, the Executive Director, and any other officer or employee of the Authority designated in writing by the Executive Director, to represent the Authority with authority to examine transactions and use tax records of the CDTFA pertaining to Authority transactions and use taxes; and

**WHEREAS**, the Executive Director further recommends that the Board of Directors authorize Hinderliter, de Llamas & Associates (HdL), subject to conditions set forth below, to examine transactions and use tax records of the CDTFA pertaining to the Authority's Transactions and Use Taxes collected for the Authority by the CDTFA pursuant to the contracts between the Authority and the CDTFA.

**NOW, THEREFORE, BE IT RESOLVED** that the San Mateo County Transportation Authority hereby replaces Resolution 1994-10, and designates the Chief Financial

Officer, the Director of Treasury, ~~and~~ the Treasury Manager, the Executive Director,  
and any other officer or employee of the Authority designated in writing by the  
Executive Director, to represent the Authority with authority to examine transactions  
and use tax records of the California Department of Tax and Fee Administration  
pertaining to Authority transactions and use taxes; and

**BE IT FURTHER RESOLVED** that the Authority also hereby designates Hinderliter,  
de Llamas & Associates (HdL) to examine transactions and use tax records of the  
CDTFA pertaining to the Transactions and Use Taxes collected for the Authority by the  
CDTFA pursuant to the contracts between the Authority and the CDTFA.

**BE IT FURTHER RESOLVED** that HdL's designation is to be in effect once, and only  
for so long as, the Authority's Chief Financial Officer declares that HdL meets all of the  
following conditions:

(a) has an existing contract with the Authority to examine those sales, use and  
transactions tax records;

(b) is required by that contract to disclose information contained in, or derived  
from, those sales, use and transactions tax records only to the Authority's Chief  
Financial Officer, the Director of Treasury, and the Treasury Manager;

(c) is prohibited by that contract from performing consulting services for a  
retailer operating within San Mateo County during the term of that contract; and

(d) is prohibited by that contract from retaining the information contained in,  
or derived from those sales, use and transactions tax records, after that contract has  
expired.

**BE IT FURTHER RESOLVED** that the information obtained by examination of  
CDTFA records shall be used only for purposes related to the collection of Authority

transactions and use taxes by the CDTFA pursuant to the contract between the Authority and the CDTFA.

**BE IT FURTHER RESOLVED** that the Executive Director, or designee, is authorized to take any actions necessary to give effect to this resolution.

Regularly passed and adopted this 2nd of April, 2020 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transportation Authority

ATTEST:

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Authority Secretary