ANALYSIS

This ordinance amends Title 2 – Administration of the Los Angeles County Code to add Chapter 2.165 to implement a registration process for all tax agents practicing in Los Angeles County.

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DH:plp

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ORDINANCE NO. _____

An ordinance amending Title 2 - Administration of the Los Angeles County Code, to add Chapter 2.165 to implement a registration process for tax agents practicing in Los Angeles County.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 2.165 is hereby added to Title 2 – Administration, to read as follows:

Chapter 2.165

TAX AGENTS

SECTIONS:

2.165.010 Definitions.

2.165.020 Tax Agent registration.

2.165.030 Registration amendments and termination.

2.165.040 Semi-Annual reports.

2.165.050 Duties of tax agents.

2.165.060 General prohibitions.

2.165.070 Filing fees.

2.165.080 Enforcement.

2.165.010 Definitions.

The following terms, whenever used in this chapter, shall have the meaning set forth herein:

A. "Contribution" shall have the meaning set forth in Government Code Section 82015, except that as used in this chapter, "contribution" shall also include a loan or an extension of credit for a period of more than 30 days, other than loans or extensions of credit from financial institutions which are given in the regular course of business upon terms and conditions generally available to other customers of that financial institution.

B. "County official" means: the Assessor; the Treasurer and Tax Collector; the Auditor-Controller; an Assessment Appeals Board member; an Assessment Hearing Officer; and any other County employee within the Offices of the Assessor, Treasurer and Tax Collector, or Auditor-Controller, whose duties are not primarily clerical or manual.

C. "Gift" shall be defined as set forth in the Political Reform Act, Government Code Section 81000 et seq., and the regulations adopted thereunder; except that the exclusion for campaign contributions shall be defined and governed as set forth in this chapter.

D. "Influencing official action" means representing a taxpayer as an agent in connection with any matter before any County official by promoting, supporting, influencing, seeking modification of, opposing or seeking delay of any official action, as described in paragraph E, below, by any means.

E. "Official action" means: locating all taxable property in the County; identifying ownership; establishing a taxable value for all property subject to property taxation, including the initial value, declines in value, corrections to values and any other changes in the taxable value set; completing an assessment roll showing the assessed values of all property; applying all legal exemptions to assessments; issuing refunds; and deciding all property assessment disputes between taxpayers and a County official.

F. "Public official" and "public employee" means any government official or employee of any state or local government agency.

G. "Tax agent" means any individual who is employed, is under contract, or otherwise receives compensation to communicate directly, or through agents, employees or subcontractors, with any County official for the purpose of influencing official action. A tax agent shall not include:

1. An elected or appointed public official or public employee when acting in his or her official capacity; or

2. A person representing any of the following:

a. Himself or herself;

b. An immediate family member; or

c. An entity of which the person is a partner, officer, or owner of ten percent or more of the value of the entity.

2.165.020 Tax agent registration.

A. Each tax agent, within 30 days after July 1, 2013, or within 30 days of first becoming a tax agent, shall file with the Executive Officer of the Board of Supervisors

(Executive Officer) a registration containing the following information, or such different or additional information as determined by the Executive Office:

1. The tax agent's full name, business address, business telephone number and business email address (if applicable);

2. Name of tax agent's employing tax agent firm (if applicable); and

3. A statement that the tax agent has read and understands the duties and prohibitions contained in Sections 2.165.050 and 2.165.060.

B. Every tax agent shall be issued a tax agent registration number.

C. Beginning July 1, 2013, no tax agent shall represent tax payers before a County official without first being registered as evidenced by a current tax agent registration number.

D. A tax agent who is registered pursuant to this chapter shall retain that status through the next June 30th, unless and until that person terminates the status as provided by this chapter. Thereafter, each tax agent shall be required to renew the registration on an annual basis, and shall pay an annual registration fee to the Executive Officer, as provided in Section 2.165.070, on or before the 10th day of July of the year of renewal.

E. A person may not register or provide services as a tax agent if that person:

1. Has been convicted of any criminal offense under state or federal tax laws;

2. Has been convicted of any other criminal offense involving perjury,

fraud, breach of trust, or moral turpitude; or

3. Has been disbarred or suspended from practice as an attorney, certified public accountant, public accountant, or actuary by any duly constituted authority of any state, territory, or possession of the United States, including a commonwealth, or the District of Columbia, any court of record, or any agency, body, or board.

2.165.030 Registration amendments and termination.

A. Within 30 days of any change in any of the registration information reported pursuant to Section 2.165.020, and before any attempt to influence official action on behalf of any previously unreported person or entity occurs, a tax agent shall file with the Executive Officer a revised registration.

B. When a tax agent ceases all activities related to influencing official action, this fact shall be so indicated in the last semi-annual report filed pursuant to Section 2.165.040.

C. It shall be a violation of this chapter for any person to act as a tax agent under this chapter if that tax agent's registration has been suspended or that tax agent has been deregistered.

2.165.040 Semi-Annual reports.

A. Beginning on January 1, 2014, and no later than the 31st of every July and January thereafter, the tax agent shall file with the Executive Officer a report of all campaign contributions made by the tax agent to any elected official or candidate for elected office in any jurisdiction within Los Angeles County, other than the Assessor or

any candidate for Assessor. Campaign contributions by tax agents to the Assessor or any candidate for Assessor are prohibited by Chapter 2.190 of this code.

B. The Executive Officer shall provide a report listing all tax agents semi-annually to the Registrar-Recorder electronically to help facilitate the enforcement of compliance with Chapter 2.190. Said reports shall be provided at the times established in the rules to be developed under subdivision F of Section 2.165.080.

2.165.050 Duties of tax agents.

A. Every tax agent shall have an affirmative duty to comply with all applicable state and local laws, regulations and rules pertaining to property taxes including the California Revenue and Taxation Code, State Board of Equalization Property Tax Rules, and Rules of the Assessment Appeals Board.

B. The existence of a dispute over fees with a taxpayer does not relieve the agent of his or her responsibilities under this chapter.

2.165.060 General prohibitions.

A. No tax agent shall engage in any of the following activities:

1. Use, or participate in the use of, any public communication or private solicitation containing false, misleading, fraudulent or deceptive representations, or intimate that the tax agent is able to improperly obtain special consideration or action from the County or any County official.

2. Act as, attempt to act as, or claim to be, the tax agent of a taxpayer, or represent a taxpayer before the County or any County official, without the authorization of that taxpayer.

3. Willfully assist, counsel, or encourage a taxpayer to violate any federal, state, or local tax law, or knowingly counsel or suggest to a taxpayer an illegal plan to evade federal, state, or local taxes or the payment thereof.

4. Violate Sections 17533.6 or 17537.9 of the Business and Professions Code.

5. Knowingly aid and abet another person to practice as a tax agent before the County or a County official during a period of suspension, deregistration, or ineligibility of such other person to lawfully act as a tax agent.

6. Knowingly engage in any false or misleading conduct, practice or deception, or knowingly provide or rely upon false, inaccurate, deceitful or misleading information, or knowingly fail to prepare, execute, or submit required documentation or information which lawfully must be revealed with respect to any matter, decision, administrative action or proceeding before the County or any County official.

7. Directly or indirectly attempt to influence, or offer or agree to attempt to influence, the official action of any County official by the use of threats, false accusations, duress, or coercion, by the offer of any special inducement or promise of an advantage or by the bestowing of any gift, campaign contribution, favor, or thing of value.

8. Do anything with the purpose of placing any County official under personal obligation to the tax agent or another.

9. Represent, either directly or indirectly, that the tax agent can control the official action of any County official.

10. No person who is registered under this chapter as a tax agent, or who is required to be registered under this chapter, or who has been so registered at any time in the previous 12 months shall make any contribution to the Assessor or candidate for Assessor consistent with Chapter 2.190 of this Code.

11. No tax agent shall make to a County official a gift or gifts of any monetary value. No tax agent shall act as an agent or intermediary in the making of any such gift or arrange for the making of any such gift by any other person.

B. No County official shall knowingly receive from a registered tax agent a gift or gifts of any monetary value.

2.165.070 Filing fees.

Each tax agent shall pay a filing fee when filing or renewing a registration pursuant to Section 2.165.020, according to the following fee schedule:

Initial Registration	$250*
Annual Renewal of Registration	$250

*The initial registration fee will be prorated to $125, if the tax agent registers on or after January 1 of the calendar year.

2.165.080 Enforcement.

A. If it is determined by the Executive Officer that any tax agent acting on behalf of the taxpayer fails to comply with the provisions of this chapter, the Executive Officer shall send the tax agent and the taxpayer(s) whom the tax agent represents a notice of the tax agent's alleged non-compliance.

B. Any person may file a complaint with the Executive Officer that any tax

agent has violated any provision of this chapter.

C. For any violation of this chapter, the Executive Officer shall have the discretion to pursue administrative fines or noncompliance fees issued pursuant to the provisions of Chapter 1.25 of this Code. The Executive Officer shall be designated as the enforcement officer for determination and imposition of the administrative fines and noncompliance fees to be issued and for providing representation, either directly or in conjunction with other County departments, on behalf of the County before the administrative hearing officer as provided for in Chapter 1.25 of this Code.

D. Notwithstanding the provisions of subsection C above, no administrative fine or noncompliance fees shall be issued if a violation of this chapter is cured within thirty (30) days of the date in which the tax agent receives notice of the alleged violation from the Executive Officer.

E. All noncompliant tax agents shall be listed on the Executive Officer's website until such time as the tax agent's violation is cured.

F. The Executive Officer shall develop rules for the administration of this chapter. Such rules shall be presented to the Board of Supervisors and shall become effective when approved by a majority vote of the Board.

G. The regulations imposed by this chapter are enacted pursuant to Article III, Section 11(6) of the Charter of the County of Los Angeles and California Government Code Section 25207.1.

[2165010DHCC]