



## CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE ▪ BEVERLY HILLS, CALIFORNIA 90210

Robert Wunderlich, Mayor

September 28 2021

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol, Governor's Office  
Sacramento, CA 95814

Re: SB 792 (Glazer) Sales and use tax: returns: online transactions: local jurisdiction schedule

### **City of Beverly Hills – Request for Signature**

Dear Governor Newsom,

On behalf of the City of Beverly Hills, I am pleased to write to you in **SUPPORT** of **SB 792 (Glazer)** and respectfully request you **SIGN** this bill when it comes before your desk. This measure would, beginning January 1, 2022, require retailers whose annual online sales exceed \$50 million in the previous calendar year to track and report to the California Department of Tax and Fee Administration (CDTFA) where the purchaser resides for each sale within the state that is transacted online. The bill would also direct retailers to report this information on the same schedule the retailer reports sales to the CDTFA.

E-commerce trends are rapidly evolving and expanding. This is having a dramatic effect on the allocation of local sales and use tax revenue. **SB 792** aims to better inform the public's understanding of online transactions and the flow of goods across the state. The new reporting requirement will support the study of the impact of booming online sales on sales tax allocations across the state.

Today, any analysis of online sales taxes is constrained to modeling with transaction and use tax (district tax) data from about half of California's 482 cities. This is insufficient. Having robust information on the sales tax allocation is needed to inform an equitable sales tax allocation policy.

**SB 792** will bring into focus the deficiencies under current tax law that has given online retailers an outsized impact on the distribution of local tax revenues. This bill would provide transparency by requiring retailers to report taxable sales by the purchaser's city or city and county. This will offer city governments and their residents a better understanding of the nature of online transactions and the movement of goods across the state.

For these reasons, the City of Beverly Hills is pleased to **SUPPORT SB 792 (Glazer)** and requests your **SIGNATURE** on this measure. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Robert Wunderlich".

Robert Wunderlich, Mayor  
City of Beverly Hills

cc: The Honorable Steven Glazer, 7th Senate District  
The Honorable Ben Allen, 26th Senate District  
The Honorable Richard Bloom, 50th Assembly District  
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange