

October 23, 2018

Mr. Paul Camky  
California Department of Tax and Fee Administration (CDTFA)  
Business Taxes Committee (MIC 50)  
450 N Street PO Box 942879  
Sacramento, CA 95814-0050

*Subject:* CDTFA *Wayfair* Stakeholder Meeting on October 24, 2018

Dear Mr. Camky:

MuniServices/Avenu for over 40 years has partnered with cities, counties and transit districts on sales tax auditing projects. We currently partner with over 220 local agencies in the State. We look forward to participating in tomorrow's meeting and appreciate that CDTFA staff personally reached out to MuniServices/ Avenu to attend. The June 21, 2018 Supreme Court of the United States decision is one our firm has long-awaited for. Over the years, we have supported Congressional efforts to pass marketplace legislation and continuously encouraged our clients to write their congressional representatives.

Our clients are ready. We are mindful that the new rule will take time to build compliance and that issues remain with respect to the threshold. Regardless, we were pleased to hear during the recent legislative hearing that current law allows implementation. MuniServices/ Avenu would appreciate any insight with respect to the following:

- 1) **District Taxes:** We are pleased to learn as per the meeting agenda that district taxes will have the same standard for nexus in district as for nexus in state. Any further insight if available would be helpful.
- 2) **CROS Database:** How will CROS effectively and efficiently implement all aspects of *Wayfair*?
- 3) **Administrative Costs:** With respect to administrative costs for implementation, we are interested in knowing how these will be calculated and absorbed by local governments.
- 4) **Revenue Flow:** When will local agencies begin to see revenue as a result of the implementation? Will revenues be absorbed within the rest of the sales tax revenues and be included in the scheduled advances and clean-up payments?

On behalf of the entire MuniServices/ Avenu team, we very much appreciate the CDTFA's leadership on this issue. We look forward to working with the CDTFA and Legislature going forward. If you have any any questions, or if I can be of any assistance, please feel free to contact me.

Respectfully,



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