



STATE OF CALIFORNIA
TAXPAYERS' RIGHTS ADVOCATE'S OFFICE MS F280
FRANCHISE TAX BOARD
PO BOX 1468
SACRAMENTO CA 95812-1468

01.28.2021

SUSIE DIMAGGIO, EA
CA SOCIETY OF ENROLLED AGENTS

DEAR MS. DIMAGGIO:

I would like to thank CSEA for attending and presenting their issues at the December 2020 Taxpayers' Bill of Rights Hearing. The following responses were provided by the appropriate program areas within the Department. As the Taxpayers' Rights Advocate, your concerns are important to me. During the year, I will keep track of issues requiring longer-term solutions.

1. CA Individual Health Insurance Mandate Penalties

FTB Response:

Part 1

FTB will continue to partner with Covered California to generate awareness about the Individual Health Care Mandate (HCM). For the 2021 tax filing season, FTB will:

- Include a HCM section in our January filing season kick-off news release to alert taxpayers
- Release a Tax News article with information for tax practitioners
- Publish an informational video to assist tax filers with the differences between federal and California HCM forms
- Maintain updated HCM webpages with current information for taxpayers, tax professionals, and insurance providers
- Continue our Interactive Voice Response system upfront hold messages in both English and Spanish to notify callers about the HCM
- Retain the homepage HCM news box on our public website
- Increase HCM awareness through a social media campaign
- Promote HCM through VITA

Regarding information about obtaining health care coverage and financial assistance, these portions of the program are the sole responsibility of Covered California. If FTB receives questions on these items, we refer taxpayers or practitioners directly to Covered California for additional information. Covered California also continues with a very robust marketing campaign to ensure that California residents are aware of their options when it comes to these items.

Part 2

Currently we have information on our public website providing options on what to do if taxpayers are unable to pay. We will also add a link on our Health Care Mandate page that will take the taxpayer over to our "If you cannot pay" information.

The Franchise Tax Board is sensitive to our customer's needs and we have provided extensive training to our collection staff to listen to our customers. We encourage taxpayers and/or their representatives who are unable to pay their tax or penalty liabilities to contact us.

- Within our existing authorities, we are able to administratively:
- Delay collection on accounts
- Place taxpayers into hardship as warranted
- Establish an installment agreement
- Allow for skipped Installment Agreement payments
- Delay, modify or release levies and garnishments

Sincerely,

Chris Smith

Taxpayers' Rights Advocate (Acting)

cc: Irena Asmundson
Karessa Belben
Juan Flores
Kari Hammond
Gayle Miller
Yvette Stowers