



STATE OF CALIFORNIA
Franchise Tax Board

City/County Business Tax Program Participation Guide



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Program Overview

Background

Cities and Counties participating in the City/County Business Tax (CCBT) Program provide their local business license data to the Franchise Tax Board (FTB). In exchange, FTB will provide cities/counties data from our records indicating business activity located in the city/county by name. This data exchange helps FTB find businesses not filing required tax returns and helps cities/counties find unlicensed businesses in their jurisdiction.

The program originated in the 1990s and has had a series of name changes over the years:

- 1990: Local Government Sharing Program
- 2009: City Business Tax Program
- 2016: City/County Business Tax Program

Program Benefits

The data received from FTB assists cities/counties in their enforcement efforts to identify unlicensed individuals or businesses.

FTB uses the data received from cities/counties to identify self-employed individuals or businesses who are not filing required state income tax returns.

Administrative Costs

There are no costs to either party when a reciprocal agreement is established.

Authority

The CCBT Program operates under California Revenue and Taxation Code (R&TC) Sections 19551.1 and 19551.5, which authorize a reciprocal agreement for the exchange of city/county business tax and confidential information between a city/county and FTB.

Participation Requirements

Eligibility

Participation in the CCBT Program is voluntary. Cities and counties in the state of California may be eligible if allowed by their local regulations, and if they can meet **all** of the following requirements:

1. Establish a standard CCBT reciprocal data exchange agreement with FTB.
2. Provide FTB with a copy of a current resolution, order, or minutes indicating the City/County has authority to enter into such an agreement.
3. Complete a Security Questionnaire.

CCBT Annual Processes

Once a data exchange agreement has been established, the CCBT Process consists of three annual steps:

1. Participants in the CCBT Program submit a file with their business tax licensee data to FTB each year between April 1 and July 31, using the specified FTB 909, *Record Layout for Data Transmitted to Franchise Tax Board*. Go to ftb.ca.gov and search for **909**.
2. In turn, each year during the month of December, FTB will run a match process against the data provided by the participant. We will match the data against the prior year's tax returns. The match process will result in a file reflecting both matches of the records submitted by the city or county, as well as additional businesses or individuals who have indicated on their return that they conduct business in the participating city or county. Refer to FTB 909A, *Record Layout for Data Transmitted to Cities*. Go to ftb.ca.gov and search for **909A**.
3. Annually, participants have a responsibility to ensure:
 - a. All staff with access to FTB data have a signed FTB 712, *City/County Business Tax Program Confidentiality Statement*, on file at the city/county. Go to ftb.ca.gov and search for **712**.
 - b. All staff with access to FTB data have completed an annual review of FTB's Disclosure Training.
 - c. FTB data older than three years from receipt has been destructed.

Request to Participate

To participate in the CCBT program, send an email to the City/County Business Tax Program at FTBCCBT@ftb.ca.gov requesting to participate, and we will initiate the process to coordinate your participation in the next annual cycle.

Interested cities/counties will receive an STD. 213, *Standard Agreement*, to complete and sign. Return the agreement and supporting documents to us by the due date provided.

The city/county will need to complete **all** of the following requirements:

- Email the agreement with electronic signature back to us by the due date.
- Obtain a resolution, order, motion, or ordinance stating that the city/county has authorization to enter this *Standard Agreement*.
- Complete and return the Security Questionnaire.

The Standard Agreement includes:

1. Scope of Work.
2. General Terms and Conditions.
3. Special Terms and Conditions.
4. City/County Record Format Specifications.
5. FTB Record Layout Specifications.
6. Confidentiality Agreement.

Next Steps:

Once we receive your completed and signed forms, you will:

1. Receive a fully executed original copy of your *Standard Agreement*.
2. Be registered for a Secure Web Internet File Transfer (SWIFT) Account.
3. Receive instructions on how to use SWIFT.
4. Transmit your file using SWIFT during the annual submission cycle established in the agreement.

Annual File Submission Process

SWIFT

Secure Web Internet File Transfer (SWIFT) is FTB's required method for external file transfers. SWIFT provides a secure means for transferring files to and from FTB, and it meets file transfer needs of government agencies and external business customers.

Benefits of SWIFT

Using SWIFT is easy. The SWIFT User Guide is available online to assist you, and upon request, FTB will provide an Excel spreadsheet template and instructions to help you convert your paper requests to a SWIFT format in accordance with the record layout. Go to ftb.ca.gov and search for **swift**.

SWIFT ensures fast and secure data transmission between FTB and participating cities/counties.

Data sent from FTB is instantly received by participating cities/counties moments after it's sent.

An automated email is generated upon receipt to notify you that your file has been received. You also have the option to download a receipt.

SWIFT Registration

Once an agreement has been executed, CCBT Program staff will contact you to register your new SWIFT account.

During registration, you will designate contact(s) for file transfer notifications. If your contacts include more than one person, we suggest using a group email ID.

SWIFT sends your agency a temporary password once you register, which can be immediately changed to one of your choosing. You must change the temporary password once you receive it and update your password once a year. SWIFT will not prompt you before your password expires.

Go to swift.ftb.ca.gov to log in. Use your SWIFT email ID assigned at registration and your temporary password.

Contacts and Resources

Contact Information

Our staff can provide services and support, such as:

- Answer program questions.
- Register, revise, or reset your SWIFT account password.
- Facilitate coordination with our technical team for data transmission issues.

Address:

CITY/COUNTY BUSINESS TAX PROGRAM MS A181
FRANCHISE TAX BOARD
PO BOX 2966
RANCHO CORDOVA CA 95741-2966

Email: FTBCCBT@ftb.ca.gov

Confidential account information should not be sent through email.

List of Forms

Use the following forms to participate in the CCBT Program. Go to ftb.ca.gov and search for **CCBT** to get the most recent versions.

Form Number and Name	Intended Use
FTB 712 - <i>City/County Business Tax Program Confidentiality Statement</i>	Acknowledge receipt and care of FTB data
<i>Annual Security and Disclosure Training</i>	Annual mandatory training for all city/county employees with access to FTB data
<i>SWIFT User Guide</i>	Assists participating cities and counties on the setup and use of their SWIFT account
FTB 909 - <i>Record Layout – Files to FTB</i>	Record layout for transmitting files to FTB
FTB 909A - <i>Record Layout – Files from FTB</i>	Record layout used by FTB to transmit files to participating cities/counties