

Thousands of Businesses Contacted to File Tax Returns

June 19, 2012

Sacramento – Franchise Tax Board (FTB) is contacting more than 100,000 California business entities that have not filed their 2010 state income tax returns.

Businesses contacted by FTB will have 30 days to file a tax return or show why there is no filing requirement. Businesses that do not file tax returns or do not demonstrate they are not required to file will receive a tax assessment based on income and other information reported to FTB.

The FTB annually reviews more than 5 million income records received from the IRS, the Employment Development Department, the State Board of Equalization, financial institutions, and city business tax information. FTB matches this information against State records to identify noncompliance. Through last year's efforts, the FTB collected approximately \$21 million from businesses that failed to file tax returns.

The failure to file tax returns contributes to the "tax gap," defined as the difference between taxes owed and taxes paid.

More information on these notices is available at ftb.ca.gov. Search for the [Bills and Notices](#) page and select [*Respond to request or demand for tax return.*](#)

Businesses can request more time to respond, retrieve information that can assist them in filing a tax return, request tax forms, learn about payment options, sign up to receive an email reminder to file, and much more. Information is also available by calling 866.204.7902.