FORM GEN. 160 (Rev. 6-80)

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: October 1, 2026

TO: Honorable Karen Bass, Mayor
Honorable Members of the Los Angeles City Council

FROM: Vincent de Vera, Chief Deputy Controller

SUBJECT: **STATE OF CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION AUDIT OF CITY OF LOS ANGELES' SALES AND USE TAX FOR THE PERIOD JUNE 1, 2013 TO JUNE 30, 2019**

SUMMARY

The California Department of Tax and Fee Administration (CDTFA) conducted an audit of the City of Los Angeles' expenditures related to Sales and Use Taxes. This audit covered all Council-controlled departments' purchases for the period from July 1, 2013 through June 30, 2019. LAWA's purchases subject to Sales and Use Taxes for the were also examined (for the same time period). CDTFA's auditors conducted these audits based on the State's mandated policies and procedures.

On November 27, 2024, the City received CDTFA's *Notice of Determination* (Attachment 1, page 1 - the bill) indicating that, at that time, the City had outstanding unpaid Sales and Use Taxes totaling $6,056,420- which includes $3,773,726 in principal and $2,371,938 in interest, computed through December 31,2024. The amount reflected in this notice included credit to the City for a prior $89,244 made by LAWA.

Given the difficulties the City experienced in attempting to retrieve hardcopy invoice records related to this audit, the Controller's Office, in collaboration with the City Attorney's Office, filed a *Petition for Redetermination* (to dispute the assessed tax liability). These efforts culminated in adjustments that reduced in adjustments initiated by CDTFA that reduced the base tax liability (from $3,773,726 to $1,757,605). Further, a *Settlement Agreement* successfully reduced the related overall interest charges by $2,192,388. Due to recent offsets, there is a revised total liability of $3,043,863 in tax plus delinquency charges (as of October 2026). The interest reductions negotiated in the settlement were granted in relation to unforeseen delays on the City's part related to the 2025 Palisades Fires. Additional delinquency charges will continue to accrue if the payment is not received by October 31, 2026, so, to limit the accrual of additional charges, it would behoove the City to pay the current outstanding balance immediately.

Taxation Methodology

CDTFA utilizes a statistical sampling process whereby CDTFA estimates the amount of taxes due based on a random sampling of transactions tested, then applies an error rate to the sample population. The method prevents the City from precisely tracing Sales and Use Tax compliance errors back to any originating departments. Consequently, the Controller's Office prorated the assessed liability to each City department involved based on the weighted value of their transactions to the total liability. Therefore, while the outstanding liability payment may be made through the City's General/Reserve Fund, this method provides an opportunity for each involved department to reimburse their respective portions of the assessed liability.

RECOMMENDATIONS

That the City Council subject to the approval of the Mayor:

1. Authorize the Controller to transfer the amount of $3,043,863 from the General/Reserve Fund to the Unappropriated Balance and therefrom to Fund 837 Sales Tax Trust, Account 2031 Use Tax Payable;

2. Authorize the Controller to pay $3,043,863 to the California Tax and Fee Administration in reference to Account No. SU AA 011-300003; and

3. Request that each department to reimburse the City for its prorated portion of the assessed liability (Attachment 3).

FISCAL IMPACT STATEMENT

The proposed action will temporarily reduce the General/Reserve Fund by $3,043,863.

BACKGROUND

The California Department of Tax and Fee Administration (CDTFA) conducted an audit of the City of Los Angeles' expenditures related to Sales and Use Taxes. This audit covered all Council-controlled departments' purchases for the period from July 1, 2013 through June 30, 2019. LAWA's purchases subject to Sales and Use Taxes for the were also examined (for the same time period).

CDTFA sampled records from two distinct populations: vendors located within the State of California and vendors located outside of the State of California. Each distinct population was separated into three stratums. The highest liabilities resulted from the out-of-state vendors. The second-largest group of liabilities were traced to P-Card transactions subject to Use Tax.

Based on the original audit results, the majority of the assessed understated tax liabilities appeared attributable to transactions in which the City departments responsible to accrue and remit Use Taxes neglected to do so. However, the magnitude of the underreported Use Tax assessments was adversely impacted by supporting documentation requests issued to departments that were not complied with. For further context, approximately 85%, or $2,828,480 of the understated tax liability from out-of-state vendors (the strata with largest tax liability incurred) resulted from invoices that the originating City departments did not provide for review. Other audit errors were due to unavailable documentation to verify the existence of out-of-state vendor resale permits and use of incorrect district tax rates.

Audit Results

1. The audit reviewed the City's transactions for Council-controlled departments based on the following:

Stratum	*Transaction Range*	*Transaction Count*	*Total Dollar Value Sampled*	*Sample Size*	*% Sampled*	*Number of Errors*	*Error Percentage*
Out-of-state Vendors							
1	$100 - 5,999	17,274	15,307,611	500	3%	87	14.8%
2	$6,000 - 99,999	4,326	81,133,695	450	10%	62	13.8%%
3	> $100,000	646	231,311,651	646	100%	87	Actual Basis
Total		**22,219**		**2,313**	**7%**	**236**	**28.6%**
In-State Vendors							
1	$100 - 2,999	5,075	201,635	300	6%	21	5.5%
2	$3,000 - 79,999	878	5,834,573	300	34%	14	2.9%
3	> $80,000	123	64,872,837	123	100%	5	Actual Basis
Total		**6,076**		**723**	**12%**	**17**	**8.4%**

2. The audit reviewed transactions for LAWA based on the following:

Stratum	*Transaction Range*	*Transaction Count*	*Total Dollar Value Sampled*	*Sample Size*	*% Sampled*	*Number of Errors*	*Error Percentage*
1	$100 - 3,999	6,701	6,296,245	450	6.72%	4	1.48%
2	$4,000 - 99,999	3,590	87,462,074	400	11.4%	7	0.65%
3	> $100,000	661	333,578,288	661	100%	2	Actual Basis
Total		**10,952**		**1,511**	**13.8%**	**13**	**2.13%**

CDTFA declares that the City owes the State of California $3,043,863 in unpaid Use Taxes, plus delinquency charges. Payments for actual transactions amounting to $89,244 have been sent to CDTFA. The remaining principal balance of $2,982,680 is based on CDTFA's projections utilizing statistical sampling. Attachment 4 of this report provides a more detailed view of the audit calculations.

ADMINISTRATIVE APPEALS PROCESS

The City sought all available remedies to reduce the tax audit liability, including filing a *Petition for Redetermination* to reassess the audit findings; and entering a *Settlement Negotiation* to reduce the interest on the liability.

Remedy Sought	**Reduction Amount**	
Petition	$ 2,016,123.00	Tax Liability
Settlement	176,265.00	Interest
Total Reductions	**$ 2,192,388.00**	Tax and Interest

The Controller's Office, in collaboration with the City Attorney's Office, filed a *Petition for Redetermination* to dispute the assessed tax liability (based on the difficulties in retrieving hardcopy invoice records for transactions prior to the City's transition to FMS 2.0 in July 2017). In October 2025, this effort resulted in adjustments that reduced the tax liability from $3,773,726 to $1,757,605.00. During this "Reaudit," disputed transactions with the highest error values were

reviewed for additional documentation. For all such high-dollar value instances, vendors were contacted directly by the Controller's Office team to obtain purchase invoices to confirm whether Use Taxes had been paid to registered out-of-state vendors or purchases did not involve tangible personal property. GSD also assisted in searching the City's Records Retention warehouse to produce the missing sampled invoices that were housed there.

In addition, the appeal for a *Settlement Agreement* was filed to dispute the interest associated with the assessed liability. Interest charges were reduced by $176,265 due to unforeseen delays the City experienced in relation to the Palisades Fires. Penalties were not assessed, as CDTFA's auditors acknowledged the City's good faith efforts to report and pay correctly. Thus, no intentional disregard was noted.

CORRECTIVE ACTIONS INITIATED

1. To assist City departments in maintain compliance with all tax regulations, the Controller's Office has previously requested new staff positions that would be used to create a Tax Compliance Unit (within the Controller's Office Fiscal Oversight and Support Services Section). Given that this audit is the second of three consecutive Use Tax audits against the City, the need for the Tax Compliance Unit remains.

2. As a result of this audit, the Controller's Office will reiterate Citywide policy that requires Departments' responsibilities to promptly respond to external tax authority audit-related requests.

3. The Controller's Office is exploring the possibility of engaging CDTFA subject matter experts in the area of Use Taxes to provide training to the accounting staff members from the outer departments responsible for Use Tax compliance within their respective departments. This potential training could foreseeably also include CDTFA's views best practices for handling State Reseller Permits and continual updates to the State, local, and Special District tax rates that impact City operations.

STATE OF CALIFORNIA

GAVIN NEWSOM
Governor

AMY TONG
Secretary, Government Operations Agency

NICOLAS MADUROS
Director

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
12750 CENTER COURT DRIVE SOUTH, STE 400 CERRITOS, CA 90703-8594
1-562-412-2645 • FAX 1-562-402-8530
www.cdtfa.ca.gov

CITY OF LOS ANGELES
200 N MAIN ST STE 400
LOS ANGELES CA 90012-4143

Letter Date:	November 27, 2024
Letter ID:	L0028930203
Account Type:	Use Tax
Account Number:	011-300003
Audit ID:	A45
Audit Period From:	July 1, 2013
Audit Period To:	June 30, 2019

Final Audit Results

Dear CITY OF LOS ANGELES:

We have completed our review of your account for the period(s) referenced above. Based on our examination, we have submitted our findings for issuance of a formal notice for the following amounts.

Examination Period: July 1, 2013 to June 30, 2019

Tax	$3,773,726.00
Credits	$0.00
Less Adjustments	$0.00
Payments	$ (89,244.00)
Interest through December 31, 2024	$2,371,938.05
Penalty(ies)	$0.00
Total**	**$6,056,420.05**

**If multiple billings have occurred, the audit liability may not equal the sum of the billings.

Please cut along the line, and return the bottom portion with your payment.

CDTFA-5184 (5-23) **PAYMENT VOUCHER**

CDTFA-5000 REV. 1 (6-22)

Account Type: Use Tax
Account Number: 011-300003
Voucher Number: 639809524

L0028930203

CDTFA USE ONLY

Amount due upon receipt: **$6,056,420.05**

Enter amount paid

$ _____.

Make check payable and send with the voucher to:
California Department of Tax and Fee Administration
PO Box 942879
Sacramento, CA 94279-3535
or visit *www.cdtfa.ca.gov* to pay right now.

CITY OF LOS ANGELES
200 N MAIN ST STE 400
LOS ANGELES CA 90012-4143

Please write your account number on your check.

When you receive the formal notice, you can appeal by filing a *Petition for Redetermination* within 30 days from the Notice Service Date shown on the formal notice. You may file a petition online by visiting our website at *www.cdtfa.ca.gov* or using CDTFA-416, *Petition for Redetermination*. You can obtain a copy of this form on our website or by calling our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

Interest is forecast to the date noted above. Interest continues to accrue monthly on unpaid tax and will be added to the current interest amount shown on page 1 of this letter. Paying all or part of the liability shown on the formal notice will in no way affect your right to appeal portions with which you do not agree. If you would like to make a payment before receiving the formal notice, you can pay online by visiting our website at *www.cdtfa.ca.gov,* and selecting *File & Make a Payment*. When paying online, please be sure to select *Audit Payment* as your payment type, or, if you prefer, you may submit your payment with the attached payment voucher.

Tax Measure Disclosed by Examination

	Taxable Measure	District Measure	Tax Difference
12A Taxable Measure Understated For Statistical Sample of CA Vendors	-	-	$39,944.00
12B Taxable Measure Understated for Statistical Sample of Out of State Vendors	36,641,506.00	37,285,518.00	$3,348,820.00
12C Taxable Measure Understated For Statistical Sample of California Vendors	1,115,828.00	1,538,784.00	$108,276.00
12D Purchases Subject To Use Tax Purchase Cards	2,043,905.00	2,045,949.00	$187,440.00
12F-1 AP TEST LAWA STRATUM 1 PROJECTION ($100-$3,999.99)	36,435.00	39,910.00	$3,356.00
12F-2 AP TEST LAWA STRATUM 2 ($4,000.00 - $99,999.99)	171,619.00	308,002.00	$17,746.00
12F-3 AP TEST LAWA STRATUM 3 ACTUAL BASIS	712,088.00	797,621.00	$63,590.00
12I Purchases Subject to Use Tax P-Cards	6,556.00	248,276.00	$4,550.00
Total	**40,727,937.00**	**42,264,060.00**	**$3,773,722.00**

Note: Due to rounding differences, totals on this page may display differently on this page than the front page.

Explanation of Findings

Type of Business Organization	Taxpayer is a local municipality with oversight of the various separate agencies with the City of Los Angeles (CLA) and for a period of time until June 31, 2018 the Los Angeles World Airport (LAWA). Commence date: January 1, 1949. Prior audit through June 30, 2013.
Type of Transactions	The taxpayer purchases equipment and consumable supplies for the operation of the various departments under its control. Purchases are from out-of-state vendors and from in-state vendors.

Books and Records	The taxpayer maintains a double-entry accounting system. Books and records were considered adequate for sales and use tax purposes. No sales tax reported only use tax since this is a use tax permit. Records provided were use tax accrual account and paid bills along with PCards.
Reporting Method	All books and records pertaining to the operation of the City of Los Angeles (CLA) and the Los Angeles Airport/Ontario International Airport are maintained by their individual respective staff. CLA and LAWA maintain totally separated accounting system. Each month LAWA staff sends the CLA a check along with a report containing the summary of Use Tax self-accrued and Ex-Tax Purchases Subject to Use Tax. This report is incorporated with the City of Los Angeles Use Tax Report to prepare the quarterly Use Tax Returns. The findings indicate that the taxpayer, in many cases issues direct payment certificates to retailers for self-reporting of the tax.
Total Sales	No sales are made with this permit. Any department making sales will have a separate sales and use tax permit. Any disposals of equipment are done through an auction house.
Tax Accrual Account	A detailed analysis of the accrual account was performed. All debit amounts were questioned. Questioned amounts were included in the audit findings.
Bad Debts	No bad debts were noted during the audit period.
Verification and Findings	Books and records were sufficiently complete to verify that use tax amounts were reported correctly. Use tax accrual differences were established on an actual basis. Additional taxable measure for out of state vendors was established using statistical sampling. Additional taxable measure for California vendors was established using statistical sampling. Additional taxable measure for purchase cards was established using a one month sample and projecting to the audit period. Additional taxable measure for Los Angeles World Airport was established using statistical sampling Additional taxable measure for purchase cards (Pcards) for LAWA was established using a one month sample and projecting to the audit period.
Paid Bills	The paid bills population for the audit period was broken down to two groups for examination using statistical sampling and random selecting of sample units: Vendors for which the City typically accrued use tax (Tax accrued vendors) and vendors for which the City did not accrued use tax (Non-tax accrual vendors). This test was done separately. The examination of units consisted of requesting from the fee payer, the purchase invoices for verification of proper accrual of applicable use tax or remittance of sales tax to a registered retailer. Within the samples selected, a number of progress payments were noted. Progress payments were investigated to confirm the proper reporting at the completion of the project or when the due date was determined. Detail comments explaining verification procedures applied and description of the documents examined for recommended assessment or acceptance, are provided on the related schedule, under

	the comment column. Note these tests did not include Purchase cards for Los Angeles World Airport. A one month test (October 2018) was completed and a percentage of error calculated and applied to purchase card amounts for the audit period.
Fixed Assets	Fixed assets were examined as part of the paid bills examination.
Self-Consumed Merchandise	Not applicable.
Nexus	Not applicable.
Penalty	10% Negligence penalty is not recommended. Taxpayer has numerous divisions which are each in charge of purchasing. They are in the process of upgrading their internal systems and they make a conscience effort to report correctly. No intentional disregard was noted.

We would appreciate you taking a few minutes to complete the Audit Survey to help us evaluate the effectiveness of our audit program. The survey can be accessed online by visiting our website at *www.cdtfa.ca.gov*, and clicking *Login*, which takes you to our Online Services webpage. Do not log in; scroll down to the bottom of the page and select the *Fill Out an Audit Survey* located under the *Limited Access Functions* column. You will need your audit ID to complete the survey.

If you have any questions relating to this letter, you may contact me at 1-562-356-1140.

Victor Lorenzo
Audit Principal, Cerritos Office

STATE OF CALIFORNIA

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
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Secretary, Government Operations Agency

TRISTA GONZALEZ
Director

CITY OF LOS ANGELES
200 N MAIN ST STE 400
LOS ANGELES CA 90012-4143

Letter Date:	October 3, 2025
Letter ID:	L0032864641
Account Type:	Use Tax
Account Number:	011-300003
Audit ID:	A45
Audit Period From:	July 1, 2013
Audit Period To:	June 30, 2019

Final Reaudit Results

Dear CITY OF LOS ANGELES:

We have completed our review of your account for the period(s) referenced above. Based on our examination, we have submitted our findings for issuance of a formal notice for the following amounts.

Examination Period: July 1, 2013 to June 30, 2019

Tax	$3,773,726.00
Credits	$(2,016,121.00)
Less Adjustments	$0.00
Payments	$0.00
Interest through December 31, 2024	$1,099,146.54
Penalty(ies)	$0.00
Total**	**$2,856,751.54**

**If multiple billings have occurred, the audit liability may not equal the sum of the billings.

Please cut along the line, and return the bottom portion with your payment.

PAYMENT VOUCHER

CDTFA-5184 (5-23)
CDTFA-5000 REV. 1 (6-22)

Account Type: Use Tax
Account Number: 011-300003
Voucher Number: 683698381

L0032864641

CDTFA USE ONLY

Amount due upon receipt: **$2,856,751.54**

Enter amount paid

$.

Make check payable and send with the voucher to:
California Department of Tax and Fee Administration
PO Box 942879
Sacramento, CA 94279-3535
or visit *www.cdtfa.ca.gov* to pay right now.

CITY OF LOS ANGELES
200 N MAIN ST STE 400
LOS ANGELES CA 90012-4143

Please write your account number on your check.

Interest is forecast to the date noted above. Interest continues to accrue monthly on unpaid tax and will be added to the current interest amount shown on page 1 of this letter. Paying all or part of the liability shown on the formal notice will in no way affect your right to appeal portions with which you do not agree. If you would like to make a payment before receiving the formal notice, you can pay online by visiting our website at *www.cdtfa.ca.gov,* and selecting *File & Make a Payment*. When paying online, please be sure to select *Audit Payment* as your payment type, or, if you prefer, you may submit your payment with the attached payment voucher.

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12B - R1 Taxable Measure Understated for Statistical Sample of Out of State Vendors - R1	14,314,586.00	15,900,520.15	$1,332,702.00
12C Taxable Measure Understated For Statistical Sample of California Vendors	1,115,828.00	1,538,784.00	$108,276.00
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12F-3 AP TEST LAWA STRATUM 3 ACTUAL BASIS	712,088.00	797,621.00	$63,590.00
12I Purchases Subject to Use Tax P-Cards	6,556.00	248,276.00	$4,550.00
Total	**18,401,017.00**	**20,879,062.15**	**$1,757,604.00**

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Explanation of Findings

Type of Business Organization	Taxpayer is a local municipality with oversight of the various separate agencies with the City of Los Angeles (CLA) and for a period of time until June 31, 2018 the Los Angeles World Airport (LAWA). Commence date: January 1, 1949. Prior audit through June 30, 2013.
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Books and Records	The taxpayer maintains a double-entry accounting system. Books and records were considered adequate for sales and use tax purposes. No sales tax reported only use tax since this is a use tax permit. Records provided were use tax accrual account and paid bills along with PCards.

Reporting Method	All books and records pertaining to the operation of the City of Los Angeles (CLA) and the Los Angeles Airport/Ontario International Airport are maintained by their individual respective staff. CLA and LAWA maintain totally separated accounting system. Each month LAWA staff sends the CLA a check along with a report containing the summary of Use Tax self-accrued and Ex-Tax Purchases Subject to Use Tax. This report is incorporated with the City of Los Angeles Use Tax Report to prepare the quarterly Use Tax Returns. The findings indicate that the taxpayer, in many cases issues direct payment certificates to retailers for self-reporting of the tax.
Total Sales	No sales are made with this permit. Any department making sales will have a separate sales and use tax permit. Any disposals of equipment are done through an auction house.
Tax Accrual Account	A detailed analysis of the accrual account was performed. All debit amounts were questioned. Questioned amounts were included in the audit findings.
Bad Debts	No bad debts were noted during the audit period.
Verification and Findings	Books and records were sufficiently complete to verify that use tax amounts were reported correctly. Use tax accrual differences were established on an actual basis. Additional taxable measure for out of state vendors was established using statistical sampling. Additional taxable measure for California vendors was established using statistical sampling. Additional taxable measure for purchase cards was established using a one month sample and projecting to the audit period. Additional taxable measure for Los Angeles World Airport was established using statistical sampling Additional taxable measure for purchase cards (Pcards) for LAWA was established using a one month sample and projecting to the audit period.
Paid Bills	The paid bills population for the audit period was broken down to two groups for examination using statistical sampling and random selecting of sample units: Vendors for which the City typically accrued use tax (Tax accrued vendors) and vendors for which the City did not accrued use tax (Non-tax accrual vendors). This test was done separately. The examination of units consisted of requesting from the fee payer, the purchase invoices for verification of proper accrual of applicable use tax or remittance of sales tax to a registered retailer. Within the samples selected, a number of progress payments were noted. Progress payments were investigated to confirm the proper reporting at the completion of the project or when the due date was determined. Detail comments explaining verification procedures applied and description of the documents examined for recommended assessment or acceptance, are provided on the related schedule, under the comment column. Note these tests did not include Purchase cards for Los Angeles World Airport. A one month test (October 2018) was completed and a percentage of error calculated and applied to purchase card amounts for the audit period.
Fixed Assets	Fixed assets were examined as part of the paid bills examination.

Self-Consumed Merchandise	Not applicable.
Nexus	Not applicable.
Penalty	10% Negligence penalty is not recommended. Taxpayer has numerous divisions which are each in charge of purchasing. They are in the process of upgrading their internal systems and they make a conscience effort to report correctly. No intentional disregard was noted.
Reason for Reaudit	R1 Reason for Reaudit: Taxpayer filed a timely petition for redetermination on December 31, 2024 in response to the Notice of Determination issued on December 3, 2024. Reference to Authority Authorizing Reaudit: Taxpayer discussed the determination with Arcie Pragale, Audit Supervisor who ordered changes per a CDTFA-836-A, Report of Discussion of Audit Findings dated September 3, 2025. Reaudit Findings and Related Comments: For the reaudit, the taxpayer provided additional purchase invoices which substantiate that use tax had been paid to registered out-of-state vendors or purchases did not involve tangible personal property. As a result, the audited measure was reduced by approximately $22,326,920. Reaudit adjustments are explained on schedule 414A-2 R1. Auditor discussed reaudit findings with Mr. James Robinson, Principal Deputy Controller and Ms. Diana Galaviz, City Internal Auditor on August 13, 2025. They agreed with the reaudit findings.

We would appreciate you taking a few minutes to complete the Audit Survey to help us evaluate the effectiveness of our audit program. The survey can be accessed online by visiting our website at *www.cdtfa.ca.gov*, and clicking *Login*, which takes you to our Online Services webpage. Do not log in; scroll down to the bottom of the page and select the *Fill Out an Audit Survey* located under the *Limited Access Functions* column. You will need your audit ID to complete the survey.

If you have any questions relating to this letter, you may contact me at 1-562-356-1140.

Victor Lorenzo
Audit Principal, Cerritos Office

Prorated Tax Liability

Department	Original Assessment: Prorated Liability	Original Assessment: Prorated Interest	Original Assessment: Total Tax Liability	Per Settlement Agreement: Prorated Liability (tax and interest)
08 Bldg & Safety	$ 6,413.78	$ 2,438.08	$ 8,851.86	$ 5,111.92
10 City Admin	71	27.12	98	57
12 City Attorney	1,098	417.41	1,515	875
16 City Employees Retirement	24,595	9,349.25	33,944	19,603
26 Controller	342	130.04	472	273
28 Council	192	72.97	265	153
30 Cultural Affairs	13,378	5,085.37	18,463	10,663
32 Information Technology Agency	1,010	383.81	1,393	805
38 Fire	577,374	219,477.75	796,852	460,180
39 Office of Finance	1,346	511.74	1,858	1,073
40 General Services	215,919	82,077.68	297,997	172,093
43 Housing	881	334.92	1,216	702
46 Mayor	42,930	16,319.02	59,249	34,216
47 Neighborhood Empowerment	25	9.60	35	20
48 LA Dept of Convention	205	78.09	284	164
50 Non Departmental	1,743,691.13	662,831.30	2,406,522.43	1,389,760.28
53 Non-Dept	26,239	9,974.08	36,213	20,913
66 Personnel	399	151.83	551	318
68 City Planning	16,129	6,131.01	22,260	12,855
70 Police	621,281	236,168.07	857,449	495,174
82 Public Works Sanitation	19,131	7,272.44	26,404	15,248
86 Public Works	11,322	4,303.99	15,626	9,024
87 Zoo	46	17.52	64	37
88 Recreation and Parks	8,249	3,135.76	11,385	6,575
89 Recreation	67,751	25,754.41	93,506	53,999
94 Transportation	57,521	21,865.37	79,386	45,845
Grand Total	**$ 3,457,540**	**$ 1,314,319**	**$ 4,771,859**	**$ 2,755,736**
Footnote	*1*	*2*	*2*	*3**

Note	
[1]	The total audit liability was $3,773,722; however, amounts seen prorated above exclude $89,244 related to LAWA which was handled separately. Additionally, all twelve tax accrual errors totaling $39,944 were attributed to the Mayor's Office and were not included in the proration. Lastly, Purchase Card errors of $187,440, were attributed to individual users and also omitted from the proration.
[2]	As of November 2024 the total audit liability was $6,056,420 which included interest accrued through December 2024 of $2,371,938. However, the total liability seen above includes interst accrued through May 18,2026.
[3]	Total Liability as of Settlement Agreement with CDTFA is $2,982,680 (net of LAWA payments).
*	Re-Audit Tax liability is only for Strata 12B (out of state vendor population) and 12C (in-state vendor population).

Re-Audit Tax Liability*	$1,441,417
Updated interest thru 5/18/2026	$1,314,319
Reaudit liability and interest	$2,755,736

Summary of Audit Findings

Summary Schedule	Audit Findings Summary	Sample Range	Population	Population Total Amount	Sample Size	Sample Total Amount	# of Errors	Error Total Value	Error Percentage	Original Audit Understated Tax Liability	Re-Audit Understated Tax Liability
12A	**Use Tax Accrual Payments**										
	Stratum 1	Use Tax	85,339	$ 26,095,219.26	85,339	$ 26,095,219.26	12	$ 39,943.65	NA	$ 39,944	$ 39,944
12B	**Out-of-State Vendors**										
	Stratum 1	$100 - 5,999	17,247	$ 15,307,611.10	500	$ 453,355.36	87	$ 66,923.48	14.8000%	$ 198,889	$ 198,889
	Stratum 2	$6,000 - 99,999	4,326	$ 81,133,695.33	450	$ 8,159,073.56	62	$ 1,128,273.30	13.8000%	$ 1,002,460	**$ 608,319**
	Stratum 3	> $100,000	646	$ 231,311,651.25	646	$ 231,311,651.25	87	$ 23,806,307.34	Note 1	$ 2,147,476	**$ 525,494**
									TOTAL	$ 3,348,825	**$ 1,332,702**
12C	**In-State Vendors**										
	Stratum 1	$100 - 2,999	5,075	$ 3,245,241.14	300	$ 201,635.33	21	$ 12,311.93	5.5000%	$ 15,609	$ 15,609
	Stratum 2	$3,000 - 79,999	878	$ 16,150,996.02	300	$ 5,834,572.81	14	$ 186,183.69	2.9000%	$ 39,233	$ 39,233
	Stratum 3	> $80,000	123	$ 64,872,837.26	123	$ 64,872,837.26	5	$ 825,243.50	Note 1	$ 53,873	$ 53,873
									TOTAL	$ 108,715	$ 108,715
12D	**P-Card Vendors**										
	Apr 2017 and Nov 2018	N/A	N/A	$ 945,830.56	Two Montl	$ 945,830.56	272	$ 50,095.91	5.3000%	$ 187,442	$ 187,442
							560				
									Total Understated Tax Liability	$ 3,457,540	Note 2
									Total Interest Due	$ 1,314,319	Note 3
										$ 4,771,859	Note 3

Note	
1	Stratum covered the actual basis, thus no error percentage was extrapolated.
2	The total audit liability was $3,773,722; however, amounts seen prorated above exclude $89,244 related to LAWA which was handled separately. Additionally, all twelve tax accrual errors totaling $39,944 were attributed to the Mayor's Office and were not included in the proration. Lastly, Purchase Card errors of $187,440, were attributed to individual users and also omitted from the proration.
3	As of November 2024 the total audit liability was $6,056,420 which included interest accrued through December 31, 2024 of $2,371,938 and an additional tax liability of $3,773,726.

Taxable Measure Understated For
Statistical Sample of Out of State Vendors

12B	
011-300003	
T. Roberson	
06/20/23	

R | C	B	C	D	E	F	G	H	I	J
		<12B-1>	<12B-2>	<12B-3>	(C+D+E)	<12B-1>	<12B-2>	<12B-3>	(G+H+I)
REF	Period	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 1**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 2**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 3**	**Total Additional Unreported Purchases Subject to Use Tax State and Local**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 1**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 2**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 3**	**Total Additional Unreported Purchases Subject to Use Tax District Measure**
11	3Q-13	90,256	358,747	544,659	993,662	94,117	370,649	544,659	1,009,425
12	4Q-13	93,184	330,136	422,189	845,509	97,171	341,088	422,189	860,448
13	1Q-14	97,156	251,750	794,091	1,142,997	101,313	260,102	794,091	1,155,506
14	2Q-14	114,511	352,526	2,395,463	2,862,500	119,411	364,221	2,395,463	2,879,095
15	3Q-14	91,103	476,674	2,286,131	2,853,908	95,001	492,487	2,286,131	2,873,619
16	4Q-14	92,004	352,170	426,589	870,763	95,941	363,853	426,589	886,383
17	1Q-15	97,438	263,881	645,661	1,006,980	101,607	272,635	645,661	1,019,903
18	2Q-15	100,869	397,680	1,608,957	2,107,506	105,185	410,874	1,608,957	2,125,016
19	3Q-15	112,805	378,011	2,616,975	3,107,791	117,632	390,552	2,616,975	3,125,159
20	4Q-15	116,681	374,043	827,174	1,317,898	121,674	386,452	827,174	1,335,300
21	1Q-16	101,918	381,387	839,018	1,322,323	106,279	394,039	839,018	1,339,336
22	2Q-16	90,963	488,222	1,434,091	2,013,276	94,855	504,419	1,434,091	2,033,365
23	3Q-16	113,727	458,126	1,762,967	2,334,820	118,593	473,324	1,762,967	2,354,884
24	4Q-16	100,582	446,042	364,588	911,212	104,886	460,839	364,588	930,313
25	1Q-17	86,412	496,583	756,088	1,339,083	90,109	513,057	756,088	1,359,254
26	2Q-17	96,136	555,530	276,644	928,310	100,250	573,960	276,644	950,854
27	3Q-17	43,348	486,647	3,075,049	3,605,044	45,203	502,792	3,075,049	3,623,044
28	4Q-17	72,767	500,043	0	572,810	75,880	516,632	92,317	684,829
29	1Q-18	67,892	515,555	0	583,447	70,797	532,659	40,384	643,840
30	2Q-18	86,976	606,200	611,755	1,304,931	90,697	626,310	670,091	1,387,098
31	3Q-18	52,937	502,147	120,779	675,863	55,202	518,806	120,779	694,787
32	4Q-18	71,286	568,528	185,000	824,814	74,336	587,389	185,000	846,725
33	1Q-19	57,127	471,368	0	528,495	59,571	487,006	0	546,577
34	2Q-19	118,885	647,277	1,621,402	2,587,564	123,971	875,385	1,621,402	2,620,758
35									
36	TOTAL	2,166,963	10,859,273	23,615,269	36,641,505	2,259,681	11,219,530	23,806,307	37,285,518
37					<12>				
38		<12B-1>	<12B-2>	<12B-3>		<12B-1	<12B-2>	<12B-3>	(F+J)
39	Approx Tax	160,639	800,571	1,754,529	**2,715,739**	38,250	201,889	392,947	**633,086**	**3,348,825**
									<12>

S1	198,889
S2	1,002,460
S3	2,147,476
Total Tax	3,348,825

AP TEST
OUT-OF-STATE VENDOR POPULATION

STRATUM 1 - PROJECTION BASE

12B-1	
11-300003	
AVonStietz \ WWang (CAS)	
08/11/21	

R | C	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
					<12B-1a>	(D*F)	<12B-1a>	(D*H)		(G*J)		(I*L)	(K+M)	(Col I)	(Col I)	(Col I)	(O+P+Q)
REF	c_GL_YEA	QTR	AMT	INV_COUNT1	Percentage of Error State	Additional Unreported Purchases Subject to Use Tax State Measure	Percentage of Error District	Additional Unreported Purchases Subject to Use Tax District Measure	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17) Measure Breakdown for CROS	577 (7/1/17 to 9/30/17) Measure Breakdown for CROS	594 (10/1/17 to 9/30/27) Measure Breakdown for CROS	TOTAL District Measure
11	2013	Qtr3	637,573.40	806	14.1561%	90,256	14.7618%	94,117	7.50%	6,769	1.50%	1,412	8,181	94,117			94,117
12	2013	Qtr4	658,261.60	830	14.1561%	93,184	14.7618%	97,171	7.50%	6,989	1.50%	1,458	8,447	97,171			97,171
13	2014	Qtr1	686,320.68	884	14.1561%	97,156	14.7618%	101,313	7.50%	7,287	1.50%	1,520	8,807	101,313			101,313
14	2014	Qtr2	808,917.66	990	14.1561%	114,511	14.7618%	119,411	7.50%	8,588	1.50%	1,791	10,379	119,411			119,411
15	2014	Qtr3	643,562.43	892	14.1561%	91,103	14.7618%	95,001	7.50%	6,833	1.50%	1,425	8,258	95,001			95,001
16	2014	Qtr4	649,926.01	845	14.1561%	92,004	14.7618%	95,941	7.50%	6,900	1.50%	1,439	8,339	95,941			95,941
17	2015	Qtr1	688,308.55	816	14.1561%	97,438	14.7618%	101,607	7.50%	7,308	1.50%	1,524	8,832	101,607			101,607
18	2015	Qtr2	712,548.89	788	14.1561%	100,869	14.7618%	105,185	7.50%	7,565	1.50%	1,578	9,143	105,185			105,185
19	2015	Qtr3	796,863.59	878	14.1561%	112,805	14.7618%	117,632	7.50%	8,460	1.50%	1,764	10,224	117,632			117,632
20	2015	Qtr4	824,244.96	848	14.1561%	116,681	14.7618%	121,674	7.50%	8,751	1.50%	1,825	10,576	121,674			121,674
21	2016	Qtr1	719,956.69	710	14.1561%	101,918	14.7618%	106,279	7.50%	7,644	1.50%	1,594	9,238	106,279			106,279
22	2016	Qtr2	642,568.78	664	14.1561%	90,963	14.7618%	94,855	7.50%	6,822	1.50%	1,423	8,245	94,855			94,855
23	2016	Qtr3	803,374.97	836	14.1561%	113,727	14.7618%	118,593	7.50%	8,530	1.50%	1,779	10,309	118,593			118,593
24	2016	Qtr4	710,520.31	673	14.1561%	100,582	14.7618%	104,886	7.50%	7,544	1.50%	1,573	9,117	104,886			104,886
25	2017	Qtr1	610,418.03	593	14.1561%	86,412	14.7618%	90,109	7.25%	6,265	1.50%	1,352	7,617	90,109			90,109
26	2017	Qtr2	679,115.78	626	14.1561%	96,136	14.7618%	100,250	7.25%	6,970	1.50%	1,504	8,474	100,250			100,250
27	2017	Qtr3	306,213.64	306	14.1561%	43,348	14.7618%	45,203	7.25%	3,143	2.00%	904	4,047		45,203		45,203
28	2017	Qtr4	514,031.55	502	14.1561%	72,767	14.7618%	75,880	7.25%	5,276	2.25%	1,707	6,983			75,880	75,880
29	2018	Qtr1	479,597.89	541	14.1561%	67,892	14.7618%	70,797	7.25%	4,922	2.25%	1,593	6,515			70,797	70,797
30	2018	Qtr2	614,404.98	695	14.1561%	86,976	14.7618%	90,697	7.25%	6,306	2.25%	2,041	8,347			90,697	90,697
31	2018	Qtr3	373,951.88	487	14.1561%	52,937	14.7618%	55,202	7.25%	3,838	2.25%	1,242	5,080			55,202	55,202
32	2018	Qtr4	503,567.58	602	14.1561%	71,286	14.7618%	74,336	7.25%	5,168	2.25%	1,673	6,841			74,336	74,336
33	2019	Qtr1	403,551.08	510	14.1561%	57,127	14.7618%	59,571	7.25%	4,142	2.25%	1,340	5,482			59,571	59,571
34	2019	Qtr2	839,810.17	925	14.1561%	118,885	14.7618%	123,971	7.25%	8,619	2.25%	2,789	11,408			123,971	123,971
35																	
36	TOTAL		15,307,611.10	17,247		2,166,963.00		2,259,681.00		160,639.00		38,250.00	198,889.00	1,664,024.00	45,203.00	550,454.00	2,259,681.00
37						<12B>		<12B>		<12B>		<12B>					
38																	
39																	
40																	

Percentage of Error Calculation for
Stratum 1 OS Sample

12B-1a
011-300003
T. Roberson
11/28/23

R C	B	C	D	E
REF		REF	Total Error For State, County, Local	Total Error For District
11	ERROR AMOUNT EX-TAX	<12B-1c>	64,178	66,923
12	BASE AMOUNT	<12B-5>	453,355	453,355
13	PERCENTAGE OF ERROR	(L1/L2)	14.1561%	14.7618%
14			<12B-1>	<12B-1>

AP TEST
OUT-OF-STATE VENDOR POPULATION

STRATUM 2 - PROJECTION BASE

SCHEDULE
11-300003
AVonStietz \ WWang (CAS)
08/11/21

R | C	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
					<12B-2a>	(D*F)	<12B-2a>	(D*H)		(G*J)		(I*L)	(K+M)	(Col I)	(Col I)	(Col I)	(O+P+Q)
REF	c_GL_YEA	QTR	AMT	INV _ COUNT1	Percentage of Error State	Additional Unreported Purchases Subject to Use Tax State Measure	Percentage of Error District	Additional Unreported Purchases Subject to Use Tax District Measure	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17) Measure Breakdown for CROS	577 (7/1/17 to 9/30/17) Measure Breakdown for CROS	594 (10/1/17 to 9/30/27) Measure Breakdown for CROS	TOTAL District Measure
11	2013	Qtr3	2,680,333.86	124	13.3844%	358,747	13.8284%	370,649	7.50%	26,906	1.50%	5,560	32,466	370,649			370,649
12	2013	Qtr4	2,466,567.78	125	13.3844%	330,136	13.8284%	341,088	7.50%	24,760	1.50%	5,116	29,876	341,088			341,088
13	2014	Qtr1	1,880,920.39	100	13.3844%	251,750	13.8284%	260,102	7.50%	18,881	1.50%	3,902	22,783	260,102			260,102
14	2014	Qtr2	2,633,854.66	138	13.3844%	352,526	13.8284%	364,221	7.50%	26,439	1.50%	5,463	31,902	364,221			364,221
15	2014	Qtr3	3,561,407.28	135	13.3844%	476,674	13.8284%	492,487	7.50%	35,751	1.50%	7,387	43,138	492,487			492,487
16	2014	Qtr4	2,631,193.32	138	13.3844%	352,170	13.8284%	363,853	7.50%	26,413	1.50%	5,458	31,871	363,853			363,853
17	2015	Qtr1	1,971,550.36	154	13.3844%	263,881	13.8284%	272,635	7.50%	19,791	1.50%	4,090	23,881	272,635			272,635
18	2015	Qtr2	2,971,219.24	163	13.3844%	397,680	13.8284%	410,874	7.50%	29,826	1.50%	6,163	35,989	410,874			410,874
19	2015	Qtr3	2,824,264.25	156	13.3844%	378,011	13.8284%	390,552	7.50%	28,351	1.50%	5,858	34,209	390,552			390,552
20	2015	Qtr4	2,794,616.19	138	13.3844%	374,043	13.8284%	386,452	7.50%	28,053	1.50%	5,797	33,850	386,452			386,452
21	2016	Qtr1	2,849,482.99	152	13.3844%	381,387	13.8284%	394,039	7.50%	28,604	1.50%	5,911	34,515	394,039			394,039
22	2016	Qtr2	3,647,689.80	199	13.3844%	488,222	13.8284%	504,419	7.50%	36,617	1.50%	7,566	44,183	504,419			504,419
23	2016	Qtr3	3,422,827.69	205	13.3844%	458,126	13.8284%	473,324	7.50%	34,359	1.50%	7,100	41,459	473,324			473,324
24	2016	Qtr4	3,332,546.27	211	13.3844%	446,042	13.8284%	460,839	7.50%	33,453	1.50%	6,913	40,366	460,839			460,839
25	2017	Qtr1	3,710,159.31	192	13.3844%	496,583	13.8284%	513,057	7.25%	36,002	1.50%	7,696	43,698	513,057			513,057
26	2017	Qtr2	4,150,572.56	213	13.3844%	555,530	13.8284%	573,960	7.25%	40,276	1.50%	8,609	48,885	573,960			573,960
27	2017	Qtr3	3,635,924.47	192	13.3844%	486,647	13.8284%	502,792	7.25%	35,282	2.00%	10,056	45,338		502,792		502,792
28	2017	Qtr4	3,736,005.32	205	13.3844%	500,043	13.8284%	516,632	7.25%	36,253	2.25%	11,624	47,877			516,632	516,632
29	2018	Qtr1	3,851,908.18	205	13.3844%	515,555	13.8284%	532,659	7.25%	37,378	2.25%	11,985	49,363			532,659	532,659
30	2018	Qtr2	4,529,144.72	240	13.3844%	606,200	13.8284%	626,310	7.25%	43,950	2.25%	14,092	58,042			626,310	626,310
31	2018	Qtr3	3,751,727.32	195	13.3844%	502,147	13.8284%	518,806	7.25%	36,406	2.25%	11,673	48,079			518,806	518,806
32	2018	Qtr4	4,247,687.34	231	13.3844%	568,528	13.8284%	587,389	7.25%	41,218	2.25%	13,216	54,434			587,389	587,389
33	2019	Qtr1	3,521,769.69	189	13.3844%	471,368	13.8284%	487,006	7.25%	34,174	2.25%	10,958	45,132			487,006	487,006
34	2019	Qtr2	6,330,322.34	326	13.3844%	847,277	13.8284%	875,385	7.25%	61,428	2.25%	19,696	81,124			875,385	875,385
35																	
36	TOTAL		81,133,695.33	4,326		10,859,273.00		11,219,530.00		800,571.00		201,889.00	1,002,460.00	6,572,551.00	502,792.00	4,144,187.00	11,219,530.00
						<12B>		<12B>		<12B>		<12B>					

Percentage of Error Calculation for
Stratum 2 OS Sample

12B-2a
011-300003
T. Roberson
12/14/23

R C	B	C	D	E
REF		REF	Total Error For State, County, Local	Total Error For District
11	ERROR AMOUNT EX-TAX	<12B-2c>	1,092,044	1,128,273
12	BASE AMOUNT	<12B-5>	8,159,074	8,159,074
13	PERCENTAGE OF ERROR	(L1/L2)	13.3844%	13.8284%
			<12B-2>	<12B-2>

Pivot Table of Stratum 3 Errors
Out of State Vendor Population
(Actual Basis > $100,000)

12B-3
011-300003
Theresa Roberson
08/13/24

R C	B	C	D	E	F	G	H	I	J	K	L	M	N
			<12B-3b>			(D*F)		(E*H)	(G+I)				(K+L+M)
REF	Row Labels	Sum of AMOUNT QUESTIONED	Sum of STATEWIDE MEASURE	Sum of DISTRICT MEASURE	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17)	577 (7/1/17 to 9/30/17)	594 (10/1/17 to 9/30/27)	TOTAL District Measure
11	2013												
12	Qtr3	544,659	544,659	544,659	7.50%	40,849	1.50%	8,170	49,019	544,659			544,659
13	Qtr4	422,189	422,189	422,189	7.50%	31,664	1.50%	6,333	37,997	422,189			422,189
14													
15	Qtr1	794,091	794,091	794,091	7.50%	59,557	1.50%	11,911	71,468	794,091			794,091
16	Qtr2	2,395,463	2,395,463	2,395,463	7.50%	179,660	1.50%	35,932	215,592	2,395,463			2,395,463
17	Qtr3	2,286,131	2,286,131	2,286,131	7.50%	171,460	1.50%	34,292	205,752	2,286,131			2,286,131
18	Qtr4	426,589	426,589	426,589	7.50%	31,994	1.50%	6,399	38,393	426,589			426,589
19	2015												
20	Qtr1	1,822,599	645,661	645,661	7.50%	48,425	1.50%	9,685	58,110	645,661			645,661
21	Qtr2	1,704,512	1,608,957	1,608,957	7.50%	120,672	1.50%	24,134	144,806	1,608,957			1,608,957
22	Qtr3	4,522,165	2,616,975	2,616,975	7.50%	196,273	1.50%	39,255	235,528	2,616,975			2,616,975
23	Qtr4	2,842,066	827,174	827,174	7.50%	62,038	1.50%	12,408	74,446	827,174			827,174
24	2016												
25	Qtr1	3,664,798	839,018	839,018	7.50%	62,926	1.50%	12,585	75,511	839,018			839,018
26	Qtr2	2,909,914	1,434,091	1,434,091	7.50%	107,557	1.50%	21,511	129,068	1,434,091			1,434,091
27	Qtr3	2,813,503	1,762,967	1,762,967	7.50%	132,223	1.50%	26,445	158,668	1,762,967			1,762,967
28	Qtr4	3,519,581	364,588	364,588	7.50%	27,344	1.50%	5,469	32,813	364,588			364,588
29	2017												
30	Qtr1	3,680,151	756,088	756,088	7.25%	54,816	1.50%	11,341	66,157	756,088			756,088
31	Qtr2	3,623,077	276,644	276,644	7.25%	20,057	1.50%	4,150	24,207	276,644			276,644
32	Qtr3	5,727,474	3,075,049	3,075,049	7.25%	222,941	2.00%	61,501	284,442		3,075,049		3,075,049
33	Qtr4	1,534,349	0	92,317	7.25%	0	2.25%	2,077	2,077			92,317	92,317
34	2018												
35	Qtr1	9,733,117	0	40,384	7.25%	0	2.25%	909	909			40,384	40,384
36	Qtr2	3,442,858	611,755	670,091	7.25%	44,352	2.25%	15,077	59,429			670,091	670,091
37	Qtr3	2,882,565	120,779	120,779	7.25%	8,756	2.25%	2,718	11,474			120,779	120,779
38	Qtr4	10,002,385	185,000	185,000	7.25%	13,413	2.25%	4,163	17,576			185,000	185,000
39	2019												
40	Qtr1	2,579,002	0	0	7.25%	0	2.25%	0	0			0	0
	Qtr2	5,860,106	1,621,402	1,621,402	7.25%	117,552	2.25%	36,482	154,034			1,621,402	1,621,402
	Grand Total	**79,733,345**	**23,615,269**	**23,806,307**		1,754,529		392,947	2,147,476	18,001,285	3,075,049	2,729,973	23,806,307
			<12B>	<12B>		<12B>		<12B>					

Taxable Measure Understated For
Statistical Sample of CA Vendors

12C
011-300003
T.Roberson
06/20/23

R | C	B	C	D	E	F	G	H	I	J
		<12C-1>	<12C-2>	<12C-3>	(C+D+E)	<12C-1>	<12C-2>	<12C-3>	(G+H+I)
REF	Period	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 1**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 2**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 3**	**Total Additional Unreported Purchases Subject to Use Tax State and Local**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 1**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 2**	Additional Unreported Purchases Subject to Use Tax **District Measure Stratum 3**	**Total Additional Unreported Purchases Subject to Use Tax District Measure**
11	3Q-13	6,514	9,150	179,666	195,330	8,132	11,554	179,666	199,352
12	4Q-13	6,373	12,228		18,601	7,957	15,440		23,397
13	1Q-14	6,839	18,145		24,984	8,538	22,912		31,450
14	2Q-14	7,523	26,754	130,778	165,055	9,392	33,782	130,778	173,952
15	3Q-14	7,041	9,299		16,340	8,791	11,742		20,533
16	4Q-14	7,431	10,475		17,906	9,278	13,227		22,505
17	1Q-15	5,830	7,350		13,180	7,279	9,281		16,560
18	2Q-15	8,264	11,643	238,500	258,407	10,317	14,701	238,500	263,518
19	3Q-15	6,871	5,769		12,640	8,578	7,285		15,863
20	4Q-15	6,794	19,866		26,660	8,482	25,085		33,567
21	1Q-16	7,274	18,491	0	25,765	9,082	23,348	233,333	265,763
22	2Q-16	7,528	13,044		20,572	9,398	16,471		25,869
23	3Q-16	6,229	21,915		28,144	7,776	27,672		35,448
24	4Q-16	5,868	13,911		19,779	7,325	17,565		24,890
25	1Q-17	6,816	21,714		28,530	8,510	27,418		35,928
26	2Q-17	5,719	31,711		37,430	7,140	40,041		47,181
27	3Q-17	5,690	21,187		26,877	7,103	26,753		33,856
28	4Q-17	6,455	7,237		13,692	8,059	9,138		17,197
29	1Q-18	5,994	8,209	0	14,203	7,484	10,365	42,966	60,815
30	2Q-18	7,008	23,052		30,060	8,749	29,108		37,857
31	3Q-18	5,797	34,361		40,158	7,237	43,388		50,625
32	4Q-18	6,022	16,971		22,993	7,519	21,429		28,948
33	1Q-19	5,975	29,103		35,078	7,460	36,748		44,208
34	2Q-19	6,864	16,578		23,442	8,569	20,933		29,502
35									
36	TOTAL	158,719	408,163	548,944	1,115,826	198,155	515,386	825,244	1,538,785
37					<12>				
38		<12C-1>	<12C-2>	<12C-3>		<12C-1>	<12C-2>	<12C-3>	(F+J)
39	Approx Tax	11,750	30,086	41,171	**83,007**	3,859	9,147	12,702	**25,708**
									108,715
									<12>

S1	15,609
S2	39,233
S3	53,873
Total Tax	108,715

AP TEST
CA VENDOR POPULATION

STRATUM 1 - PROJECTION BASE

12C-1
11-300003
AVonStietz \ WWang (CAS)
12/14/23

R \ C	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
					<12C-1a>	(D*F)	<12C-1a>	(D*H)		(G*J)		(I*L)	(K+M)	(Col I)	(Col I)	(Col I)	(O+P+Q)
REF	c_GL_YEAR	QTR	AMT	COUNT1	Percentage of Error State	Additional Unreported Purchases Subject to Use Tax State Measure	Percentage of Error District	Additional Unreported Purchases Subject to Use Tax District Measure	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17) Measure Breakdown for CROS	577 (7/1/17 to 9/30/17) Measure Breakdown for CROS	594 (10/1/17 to 9/30/27) Measure Breakdown for CROS	TOTAL District Measure
11	2013	Qtr3	133,181.49	203	4.8909%	6,514	6.1060%	8,132	7.50%	489	1.50%	122	611	8,132			8,132
12	2013	Qtr4	130,312.37	218	4.8909%	6,373	6.1060%	7,957	7.50%	478	1.50%	119	597	7,957			7,957
13	2014	Qtr1	139,831.48	225	4.8909%	6,839	6.1060%	8,538	7.50%	513	1.50%	128	641	8,538			8,538
14	2014	Qtr2	153,809.47	230	4.8909%	7,523	6.1060%	9,392	7.50%	564	1.50%	141	705	9,392			9,392
15	2014	Qtr3	143,968.87	229	4.8909%	7,041	6.1060%	8,791	7.50%	528	1.50%	132	660	8,791			8,791
16	2014	Qtr4	151,940.86	233	4.8909%	7,431	6.1060%	9,278	7.50%	557	1.50%	139	696	9,278			9,278
17	2015	Qtr1	119,210.53	172	4.8909%	5,830	6.1060%	7,279	7.50%	437	1.50%	109	546	7,279			7,279
18	2015	Qtr2	168,970.60	258	4.8909%	8,264	6.1060%	10,317	7.50%	620	1.50%	155	775	10,317			10,317
19	2015	Qtr3	140,488.59	207	4.8909%	6,871	6.1060%	8,578	7.50%	515	1.50%	129	644	8,578			8,578
20	2015	Qtr4	138,910.46	218	4.8909%	6,794	6.1060%	8,482	7.50%	510	1.50%	127	637	8,482			8,482
21	2016	Qtr1	148,733.05	244	4.8909%	7,274	6.1060%	9,082	7.50%	546	1.50%	136	682	9,082			9,082
22	2016	Qtr2	153,919.09	230	4.8909%	7,528	6.1060%	9,398	7.50%	565	1.50%	141	706	9,398			9,398
23	2016	Qtr3	127,353.43	185	4.8909%	6,229	6.1060%	7,776	7.50%	467	1.50%	117	584	7,776			7,776
24	2016	Qtr4	119,969.36	193	4.8909%	5,868	6.1060%	7,325	7.50%	440	1.50%	110	550	7,325			7,325
25	2017	Qtr1	139,371.68	244	4.8909%	6,816	6.1060%	8,510	7.25%	494	1.50%	128	622	8,510			8,510
26	2017	Qtr2	116,926.08	189	4.8909%	5,719	6.1060%	7,140	7.25%	415	1.50%	107	522	7,140			7,140
27	2017	Qtr3	116,335.57	167	4.8909%	5,690	6.1060%	7,103	7.25%	413	2.00%	142	555		7,103		7,103
28	2017	Qtr4	131,985.86	211	4.8909%	6,455	6.1060%	8,059	7.25%	468	2.25%	181	649			8,059	8,059
29	2018	Qtr1	122,560.44	194	4.8909%	5,994	6.1060%	7,484	7.25%	435	2.25%	168	603			7,484	7,484
30	2018	Qtr2	143,290.56	234	4.8909%	7,008	6.1060%	8,749	7.25%	508	2.25%	197	705			8,749	8,749
31	2018	Qtr3	118,529.44	167	4.8909%	5,797	6.1060%	7,237	7.25%	420	2.25%	163	583			7,237	7,237
32	2018	Qtr4	123,133.19	210	4.8909%	6,022	6.1060%	7,519	7.25%	437	2.25%	169	606			7,519	7,519
33	2019	Qtr1	122,168.47	208	4.8909%	5,975	6.1060%	7,460	7.25%	433	2.25%	168	601			7,460	7,460
34	2019	Qtr2	140,340.20	206	4.8909%	6,864	6.1060%	8,569	7.25%	498	2.25%	193	691			8,569	8,569
35																	
36	TOTAL		3,245,241.14	5,075		158,719		198,155		11,750		3,421	15,171	135,975	7,103	55,077	198,155
37						<12C>		<12C>		<12C>		<12C>					
38																	
39																	
40																	

Percentage of Error Calculation for
Stratum 1 CA Sample

12C-1a	
011-300003	
T. Roberson	
11/28/23	

R C	B	C	D	E
REF		REF	Total Error For State, County, Local	Total Error For District
11	ERROR AMOUNT EX-TAX	<12C-1c>	9,862	12,312
12	BASE AMOUNT	<12C-5>	201,635	201,635
13	PERCENTAGE OF ERROR	(L1/L2)	4.89%	6.11%
14			<12C-1>	<12C-1>
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

AP TEST
CA VENDOR POPULATION

STRATUM 2 - PROJECTION BASE

12C-2	
11-300003	
AVonStietz \ WWang (CAS)	
12/14/23	

R \ C	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
					<12C-2a>	(D*F)	<12C-2a>	(D*H)		(G*J)		(I*L)	(K+M)	(Col I)	(Col I)	(Col I)	(O+P+Q)
REF	c_GL_YEA	QTR	AMT	COUNT1	Percentage of Error State	Additional Unreported Purchases Subject to Use Tax State Measure	Percentage of Error District	Additional Unreported Purchases Subject to Use Tax District Measure	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17) Measure Breakdown for CROS	577 (7/1/17 to 9/30/17) Measure Breakdown for CROS	594 (10/1/17 to 9/30/27) Measure Breakdown for CROS	TOTAL District Measure
11	2013	Qtr3	362,068.16	26	2.53%	9,150	3.19%	11,554	7.50%	686	1.50%	173	859	11,554			11,554
12	2013	Qtr4	483,867.33	27	2.53%	12,228	3.19%	15,440	7.50%	917	1.50%	232	1,149	15,440			15,440
13	2014	Qtr1	718,005.27	39	2.53%	18,145	3.19%	22,912	7.50%	1,361	1.50%	344	1,705	22,912			22,912
14	2014	Qtr2	1,058,650.43	48	2.53%	26,754	3.19%	33,782	7.50%	2,007	1.50%	507	2,514	33,782			33,782
15	2014	Qtr3	367,955.42	31	2.53%	9,299	3.19%	11,742	7.50%	697	1.50%	176	873	11,742			11,742
16	2014	Qtr4	414,488.82	28	2.53%	10,475	3.19%	13,227	7.50%	786	1.50%	198	984	13,227			13,227
17	2015	Qtr1	290,851.93	31	2.53%	7,350	3.19%	9,281	7.50%	551	1.50%	139	690	9,281			9,281
18	2015	Qtr2	460,702.52	30	2.53%	11,643	3.19%	14,701	7.50%	873	1.50%	221	1,094	14,701			14,701
19	2015	Qtr3	228,283.03	22	2.53%	5,769	3.19%	7,285	7.50%	433	1.50%	109	542	7,285			7,285
20	2015	Qtr4	786,117.81	39	2.53%	19,866	3.19%	25,085	7.50%	1,490	1.50%	376	1,866	25,085			25,085
21	2016	Qtr1	731,681.35	43	2.53%	18,491	3.19%	23,348	7.50%	1,387	1.50%	350	1,737	23,348			23,348
22	2016	Qtr2	516,158.95	42	2.53%	13,044	3.19%	16,471	7.50%	978	1.50%	247	1,225	16,471			16,471
23	2016	Qtr3	867,164.84	44	2.53%	21,915	3.19%	27,672	7.50%	1,644	1.50%	415	2,059	27,672			27,672
24	2016	Qtr4	550,452.47	37	2.53%	13,911	3.19%	17,565	7.50%	1,043	1.50%	263	1,306	17,565			17,565
25	2017	Qtr1	859,210.86	42	2.53%	21,714	3.19%	27,418	7.25%	1,574	1.50%	411	1,985	27,418			27,418
26	2017	Qtr2	1,254,793.43	53	2.53%	31,711	3.19%	40,041	7.25%	2,299	1.50%	601	2,900	40,041			40,041
27	2017	Qtr3	838,369.56	31	2.53%	21,187	3.19%	26,753	7.25%	1,536	2.00%	535	2,071		26,753		26,753
28	2017	Qtr4	286,367.79	24	2.53%	7,237	3.19%	9,138	7.25%	525	2.25%	206	731			9,138	9,138
29	2018	Qtr1	324,817.84	24	2.53%	8,209	3.19%	10,365	7.25%	595	2.25%	233	828			10,365	10,365
30	2018	Qtr2	912,174.38	52	2.53%	23,052	3.19%	29,108	7.25%	1,671	2.25%	655	2,326			29,108	29,108
31	2018	Qtr3	1,359,676.10	58	2.53%	34,361	3.19%	43,388	7.25%	2,491	2.25%	976	3,467			43,388	43,388
32	2018	Qtr4	671,529.40	29	2.53%	16,971	3.19%	21,429	7.25%	1,230	2.25%	482	1,712			21,429	21,429
33	2019	Qtr1	1,151,603.18	43	2.53%	29,103	3.19%	36,748	7.25%	2,110	2.25%	827	2,937			36,748	36,748
34	2019	Qtr2	656,005.15	35	2.53%	16,578	3.19%	20,933	7.25%	1,202	2.25%	471	1,673			20,933	20,933
35																	
36	TOTAL		16,150,996.02	878		408,163		515,386		30,086		9,147	39,233	317,524	26,753	171,109	515,386
37						<12C>		<12C>		<12C>		<12C>					
38																	
39																	
40																	

Percentage of Error Calculation for
Stratum 2 CA Sample

12C-2a
011-300003
T. Roberson
12/14/23

R	C	B	C	D	E
REF			REF	Total Error For State, County, Local	Total Error For District
11		ERROR AMOUNT EX-TAX	<12C-2c>	147,449	186,184
12		BASE AMOUNT	<12C-5>	5,834,573	5,834,573
13		PERCENTAGE OF ERROR	(L1/L2)	2.5272%	3.1910%
14				<12C-2>	<12C-2>
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Pivot Table of Stratum 3 Errors
CA Vendors
(Actual Basis >$100,000)

12C-3
011-300003
T. Roberson
11/28/23

R C	B	C	D	E	F	G	H	I	J	K	L	M	N
		<12C-3b>				(D*F)		(E*H)	(G+I)				(K+L+M)
REF	Row Labels	Sum of AMOUNT QUESTIONED	Sum of STATEWIDE MEASURE	Sum of DISTRICT MEASURE	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17)	577 (7/1/17 to 9/30/17)	594 (10/1/17 to 9/30/27)	TOTAL District Measure
11	⊟2013	179,666	179,666	179,666									
12	Qtr3	179,666	179,666	179,666	7.50%	13,475	1.50%	2,695	16,170	179,666			179,666
13	⊟2014	130,778	130,778	130,778									
14	Qtr2	130,778	130,778	130,778	7.50%	9,808	1.50%	1,962	11,770	130,778			130,778
15	⊟2015	238,500	238,500	238,500									
16	Qtr2	238,500	238,500	238,500	7.50%	17,888	1.50%	3,578	21,466	238,500			238,500
17	⊟2016	700,000	0	233,333									
18	Qtr1	700,000	0	233,333	7.50%	0	1.50%	3,500	3,500	233,333			233,333
19	⊟2018	187,332	0	42,966									
20	Qtr1	187,332	0	42,966	7.25%	0	2.25%	967	967			42,966	42,966
21	Grand Total	**1,436,276**	**548,944**	**825,244**		41,171		12,702	53,873	782,278	0	42,966	825,244
22			<12C>	<12C>		<12C>		<12C>					
23													
24													
25													
26													
27													
28													
29													
30													
31													
32													
33													
34													
35													
36													
37													
38													

Reaudit

Taxable Measure Understated For Statistical Sample of Out of State (OS) Vendors

R1-12B
011-300003
T. Roberson \ K. Mikura-Phillips
07/02/25

R | C	B	C	D	E	F	G	H	I	J	K	L
		<12B-1>	<R1-12B-2>	<R1-12B-3>	(C + D + E)	<R1-12B pg 2> →			(G + H + I)	<12B>	(F - K)
REF	Period	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 1**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 2**	Additional Unreported Purchases Subject to Use Tax **State Measure Stratum 3**	**Additional Statewide Measure per First Reaudit**	**Additional District Measure Subject to TAC 218**	**Additional District Measure Subject to TAC 577**	**Additional District Measure Subject to TAC 594**	**Total Additional District Measure per First Reaudit**	***Additional Statewide Measure per Original Audit***	**Adjustments per First Reaudit**
11	3Q-13	90,256	211,220	123,170	424,646	468,745	0	0	468,745	*993,662*	-569,016
12	4Q-13	93,184	194,374	0	287,558	328,574	0	0	328,574	*845,509*	-557,951
13	1Q-14	97,156	148,223	511,698	757,077	789,471	0	0	789,471	*1,142,997*	-385,920
14	2Q-14	114,511	207,557	297,000	619,068	663,509	0	0	663,509	*2,862,500*	-2,243,432
15	3Q-14	91,103	280,651	124,435	496,189	553,553	0	0	553,553	*2,853,908*	-2,357,718
16	4Q-14	92,004	207,347	0	299,351	342,789	0	0	342,789	*870,763*	-571,412
17	1Q-15	97,438	155,365	301,600	554,403	588,170	0	0	588,170	*1,006,980*	-452,577
18	2Q-15	100,869	234,142	220,518	555,529	604,451	0	0	604,451	*2,107,506*	-1,551,977
19	3Q-15	112,805	222,562	2,209,435	2,544,802	2,592,028	0	0	2,592,028	*3,107,791*	-562,988
20	4Q-15	116,681	220,226	139,419	476,326	523,273	0	0	523,273	*1,317,898*	-841,572
21	1Q-16	101,918	224,549	0	326,467	373,606	0	0	373,606	*1,322,323*	-995,856
22	2Q-16	90,963	287,451	172,447	550,861	609,514	0	0	609,514	*2,013,276*	-1,462,416
23	3Q-16	113,727	269,731	120,635	504,093	560,344	0	0	560,344	*2,334,820*	-1,830,728
24	4Q-16	100,582	262,616	197,500	560,698	615,032	0	0	615,032	*911,212*	-350,514
25	1Q-17	86,412	292,374	306,000	684,786	744,181	0	0	744,181	*1,339,083*	-654,297
26	2Q-17	96,136	327,080	296,989	720,205	872,937	0	0	872,937	*928,310*	-208,105
27	3Q-17	43,348	286,524	0	329,872	0	413,896	0	413,896	*3,605,044*	-3,275,172
28	4Q-17	72,767	294,410	0	367,177	0	0	426,377	426,377	*572,810*	-205,633
29	1Q-18	67,892	303,544	0	371,436	0	0	432,167	432,167	*583,447*	-212,011
30	2Q-18	86,976	356,912	611,755	1,055,643	0	0	1,248,352	1,248,352	*1,304,931*	-249,288
31	3Q-18	52,937	295,649	0	348,586	0	0	447,486	447,486	*675,863*	-327,277
32	4Q-18	71,286	334,733	0	406,019	0	0	472,837	472,837	*824,814*	-418,795
33	1Q-19	57,127	277,528	0	334,655	0	0	389,969	389,969	*528,495*	-193,840
34	2Q-19	118,885	498,852	121,402	739,139	0	0	839,258	839,258	*2,587,564*	-1,848,425
35											
36	TOTAL	2,166,963	6,393,620	5,754,002	14,314,585	11,230,177	413,896	4,256,447	15,900,520	*36,641,505*	-22,326,920
37					<R1-12>				<R1-12 pg 2>		<R1-414A-2>
38											
39											
40		<12B-1>	<R1-12B-2>	<R1-12B-3>	(C + D + E)					<12B>	(F - K)
41	Approx Tax	198,889	608,319	525,494	1,332,702					3,348,825	-2,016,123

Attachment 5
Re-Audit Results

AP TEST
OUT-OF-STATE VENDOR POPULATION

STRATUM 2 - PROJECTION BASE

R1-12B-2	
11-300003	
AVonStietz \ WWang (CAS) \ KMikura	
08/11/21	

R C	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
					<R1-12B-2a>	(D*F)	<R1-12B-2a>	(D*H)		(G*J)		(I*L)	(K+M)	(Col I)	(Col I)	(Col I)	(O+P+Q)
REF	c_GL_YEAR	QTR	AMT	INV _ COUNT1	Percentage of Error State	Additional Unreported Purchases Subject to Use Tax State Measure	Percentage of Error District	Additional Unreported Purchases Subject to Use Tax District Measure	State and Local Rate	State and Local Tax	County Rate	County Tax	Total Tax Due	218 (7/1/09 to 6/30/17) Measure Breakdown for CROS	577 (7/1/17 to 9/30/17) Measure Breakdown for CROS	594 (10/1/17 to 9/30/27) Measure Breakdown for CROS	TOTAL District Measure
11	2013	Qtr3	2,680,333.86	124	7.8804%	211,220	9.3816%	251,458	7.50%	15,842	1.50%	3,772	19,614	251,458			251,458
12	2013	Qtr4	2,466,567.78	125	7.8804%	194,374	9.3816%	231,403	7.50%	14,578	1.50%	3,471	18,049	231,403			231,403
13	2014	Qtr1	1,880,920.39	100	7.8804%	148,223	9.3816%	176,460	7.50%	11,117	1.50%	2,647	13,764	176,460			176,460
14	2014	Qtr2	2,633,854.66	138	7.8804%	207,557	9.3816%	247,098	7.50%	15,567	1.50%	3,706	19,273	247,098			247,098
15	2014	Qtr3	3,561,407.28	135	7.8804%	280,651	9.3816%	334,117	7.50%	21,049	1.50%	5,012	26,061	334,117			334,117
16	2014	Qtr4	2,631,193.32	138	7.8804%	207,347	9.3816%	246,848	7.50%	15,551	1.50%	3,703	19,254	246,848			246,848
17	2015	Qtr1	1,971,550.36	154	7.8804%	155,365	9.3816%	184,963	7.50%	11,652	1.50%	2,774	14,426	184,963			184,963
18	2015	Qtr2	2,971,219.24	163	7.8804%	234,142	9.3816%	278,748	7.50%	17,561	1.50%	4,181	21,742	278,748			278,748
19	2015	Qtr3	2,824,264.25	156	7.8804%	222,562	9.3816%	264,961	7.50%	16,692	1.50%	3,974	20,666	264,961			264,961
20	2015	Qtr4	2,794,616.19	138	7.8804%	220,226	9.3816%	262,180	7.50%	16,517	1.50%	3,933	20,450	262,180			262,180
21	2016	Qtr1	2,849,482.99	152	7.8804%	224,549	9.3816%	267,327	7.50%	16,841	1.50%	4,010	20,851	267,327			267,327
22	2016	Qtr2	3,647,689.80	199	7.8804%	287,451	9.3816%	342,212	7.50%	21,559	1.50%	5,133	26,692	342,212			342,212
23	2016	Qtr3	3,422,827.69	205	7.8804%	269,731	9.3816%	321,116	7.50%	20,230	1.50%	4,817	25,047	321,116			321,116
24	2016	Qtr4	3,332,546.27	211	7.8804%	262,616	9.3816%	312,646	7.50%	19,696	1.50%	4,690	24,386	312,646			312,646
25	2017	Qtr1	3,710,159.31	192	7.8804%	292,374	9.3816%	348,072	7.25%	21,197	1.50%	5,221	26,418	348,072			348,072
26	2017	Qtr2	4,150,572.56	213	7.8804%	327,080	9.3816%	389,390	7.25%	23,713	1.50%	5,841	29,554	389,390			389,390
27	2017	Qtr3	3,635,924.47	192	7.8804%	286,524	9.3816%	341,108	7.25%	20,773	2.00%	6,822	27,595		341,108		341,108
28	2017	Qtr4	3,736,005.32	205	7.8804%	294,410	9.3816%	350,497	7.25%	21,345	2.25%	7,886	29,231			350,497	350,497
29	2018	Qtr1	3,851,908.18	205	7.8804%	303,544	9.3816%	361,370	7.25%	22,007	2.25%	8,131	30,138			361,370	361,370
30	2018	Qtr2	4,529,144.72	240	7.8804%	356,912	9.3816%	424,906	7.25%	25,876	2.25%	9,560	35,436			424,906	424,906
31	2018	Qtr3	3,751,727.32	195	7.8804%	295,649	9.3816%	351,972	7.25%	21,435	2.25%	7,919	29,354			351,972	351,972
32	2018	Qtr4	4,247,687.34	231	7.8804%	334,733	9.3816%	398,501	7.25%	24,268	2.25%	8,966	33,234			398,501	398,501
33	2019	Qtr1	3,521,769.69	189	7.8804%	277,528	9.3816%	330,398	7.25%	20,121	2.25%	7,434	27,555			330,398	330,398
34	2019	Qtr2	6,330,322.34	326	7.8804%	498,852	9.3816%	593,885	7.25%	36,167	2.25%	13,362	49,529			593,885	593,885
35																	
36	TOTAL		81,133,695.33	4,326		6,393,620.00		7,611,636.00		471,354.00		136,965.00	608,319.00	4,458,999.00	341,108.00	2,811,529.00	7,611,636.00
37						<R1-12B>							<R1-12B>				<R1-12B pg 2>
38																	

Percentage of Error Calculation
Stratum 2 OS Sample

R1-12B-2a
011-300003
T. Roberson \ K. Mikura-Phillips
12/14/23

R | C	B	C	D	E	F
REF	DESCRIPTION	REF	Total Error for State, County, Local	Total Error for District	
11	ERROR AMOUNT EX-TAX	<R1-12B-2c>	642,964	765,451	
12	BASE AMOUNT	<12B-5>	8,159,074	8,159,074	
13	PERCENTAGE OF ERROR	(L11/L12)	7.8804%	9.3816%	
14			<R1-12B-2>	<R1-12B-2>	
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Pivot Table of Stratum 3 Errors
Out of State (OS) Sample
(Actual Basis >$100,000)

R1-12B-3
011-300003
Kei Mikura
07/02/25

R C	B	C	D	E	F	G	H	I	
			<R1-12B-3b> →			<Col F, District Measure Breakdown>			
REF	Years (DATE)	Quarters (DATE)	Sum of AMOUNT QUESTIONED	Additional Statewide Measure per First Reaudit	Additional District Measure per First Reaudit	218 (7/1/09 to 6/30/17)	577 (7/1/17 to 9/30/17)	594 (10/1/17 to 9/30/27)	Total Tax Due
11	2013	Qtr3	825,652	123,170	123,170	123,170			
12	2013	Qtr4	423,589	0	0	0			
13	2014	Qtr1	935,287	511,698	511,698	511,698			
14	2014	Qtr2	2,113,470	297,000	297,000	297,000			
15	2014	Qtr3	2,286,131	124,435	124,435	124,435			
16	2014	Qtr4	427,489	0	0	0			
17	2015	Qtr1	2,107,592	301,600	301,600	301,600			
18	2015	Qtr2	1,419,819	220,518	220,518	220,518			
19	2015	Qtr3	4,379,369	2,209,435	2,209,435	2,209,435			
20	2015	Qtr4	3,160,394	139,419	139,419	139,419			
21	2016	Qtr1	4,462,606	0	0	0			
22	2016	Qtr2	2,009,738	172,447	172,447	172,447			
23	2016	Qtr3	2,597,543	120,635	120,635	120,635			
24	2016	Qtr4	3,519,581	197,500	197,500	197,500			
25	2017	Qtr1	3,680,151	306,000	306,000	306,000			
26	2017	Qtr2	3,973,831	296,989	383,297	383,297			
27	2017	Qtr3	12,646,468	0	27,585		27,585		
28	2017	Qtr4	1,141,790	0	0			0	
29	2018	Qtr1	2,855,928	0	0			0	
30	2018	Qtr2	3,442,858	611,755	732,749			732,749	
31	2018	Qtr3	2,882,565	0	40,312			40,312	
32	2018	Qtr4	10,002,385	0	0			0	
33	2019	Qtr1	3,156,543	0	0			0	
34	2019	Qtr2	5,282,565	121,402	121,402			121,402	
35	Grand Total		79,733,345	5,754,002	6,029,203	5,107,154	27,585	894,464	
36				<R1-12B>	<R1-12B pg 2>				
37									
38									
39	Tax Rates		Statewide 3Q13 - 4Q16	7.50%					
40			Statewide 1Q17 - 2Q19	7.25%		1.50%	2.00%	2.25%	(E : I)
41	Estimated Tax (L35 x L38 or L39)			428,210		76,607	552	20,125	525,494
42									<R1-12B>
43									