



How to Respond to a letter from your State Taxation Authority

If you receive a letter from your State taxation authority (the Franchise Tax Board in California), here are factors you should consider before taking any action:

1. Understand the nature of the letter:

Read the letter carefully and pay attention to details like:

- **Issuing agency:** Is it the Department of Revenue, Franchise Tax Board, or another agency?
- **Type of notice:** Is it an information notice, a tax adjustment, an audit notice, or something else?
- **Reason for contact:** What does the letter say about why you're receiving it?

2. Take appropriate action based on the type of notice:

- **Information notice:** No further action is needed unless the notice requests specific information or documents.
- **Tax adjustment:** Review the adjustment and compare it to your original return. If you agree, follow the instructions provided. If you disagree, gather supporting documents and contact the agency for clarification.
- **Audit notice:** This is a more complex situation. Consider seeking professional help from Mission Oaks Tax & Accounting or an attorney who can represent you and advise you on your rights and responsibilities.

3. Gather resources:

- **State taxation authority website:** Most agencies have online resources and FAQs that can answer your questions. In California, the Franchise Tax Board website is at: <https://www.ftb.ca.gov/index.html>
- **IRS Taxpayer Advocate Service:** This federal agency can help you resolve any issues you have with your State tax authority.
- **Tax professionals:** Contact us - we can provide personalized advice and guidance based on your specific situation.

4. Don't ignore the letter:

Ignoring the letter can lead to penalties and interest charges. Even if you're unsure how to proceed, contact the agency for clarification and communicate your intention to address the issue.

5. Stay organized and keep records:

Keep copies of the letter and any related documents in a safe place. This will be helpful if you need to refer back to them later or provide them to a tax professional.

6. Don't hesitate to ask for help:

If you're feeling overwhelmed or unsure about how to proceed, don't hesitate to seek help from a tax professional such as *Mission Oaks Tax & Accounting* or the Taxpayer Advocate Service. They can provide valuable guidance and support throughout the process.

Remember, it's important to be proactive and address the situation promptly. By following these tips and staying informed, you can navigate this situation effectively and resolve any issues with your State tax authority.