



California State Controller
Steve Westly



California State
Board of Equalization

California
Franchise
Tax
Board

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Tax Amnesty Enters Final Week

Westly, Chiang Announce Program Collects Nearly \$70 Million

SACRAMENTO – During the final week of California’s tax amnesty program, State Controller Steve Westly, Board of Equalization Chair John Chiang and Assemblymember Judy Chu (D-Monterey Park) today announced the state has collected \$69.5 million to date. Since February 1, more than 76,000 people have applied for amnesty through the Franchise Tax Board and the BOE.

“Californians are coming forward in impressive numbers to take advantage of amnesty – this is a win-win for taxpayers and the state,” said Westly, who also serves as Chair of the Franchise Tax Board. “Time is running out – in just a few days, the window will close on a rare chance to avoid penalties.”

The program allows individuals and businesses that owe income, franchise, sales or use taxes to file past-due returns and disclose unreported income or overstated deductions in order to avoid penalties. Taxpayers must file applications for amnesty by April 1, but they have until May 31 to pay the amount they owe or enter into an installment plan, which extends the payment deadline until June 30, 2006.

“Tax amnesty helps to raise revenue for the state at this critical time when valuable state programs are vulnerable to budget cuts. Taxpayers also get a break by eliminating penalties that can be as high as 50 percent of the past due tax,” said Chiang.

Westly and Chiang co-sponsored legislation by Assemblymember Judy Chu (D-Monterey Park) that led to the amnesty program.

“I urge people to apply for amnesty or at the very least file an amended return in order to preserve their right to appeal. The bottom line is to come in from the dark and give up a life on the run. Regardless of whether 8 or 800,000 Californians file for amnesty, the program clearly has helped some people reduce their taxes and has brought in income to fund critical state programs without raising taxes,” said Chu.



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The \$69.5 million collected to date represents cash received by the FTB and BOE. As with previous amnesty programs in California and in other states, most participants will make their payments very close to the May 31 deadline.

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For more information, visit <http://www.taxes.ca.gov/>

