



Office of the Treasurer & Tax Collector

Notice of Opportunity for Prepayment Reduction

Pursuant to Section 6.9-3(d) of the San Francisco Business and Tax Regulations Code, a taxpayer may petition the Office of Treasurer and Tax Collector to reduce the taxpayer's payroll expense tax prepayment amount. The taxpayer must show by clear and convincing evidence that the quarterly or semiannual prepayment amount calculated by the Treasurer's Office will amount to more than one quarter or one half (depending on the size of the business) of the taxpayer's total payroll expense tax liability for the 2010 tax year.

Requests for prepayment reduction must be made in writing and must clearly explain the facts and circumstances relating to the anticipated reduction in 2010 payroll expense tax liability. We request that taxpayers provide as much detail as necessary to explain the situation (e.g. detail about the taxpayer's actual payroll expense tax liability thus far in 2010, as well as the taxpayer's total anticipated payroll expense tax liability for 2010). Any change in prepayment amount will be effective only upon written approval by the Office of the Treasurer and Tax Collector. Until that time, taxpayers must pay prepayment amounts on a timely basis, based on the amounts this Office has calculated on the Prepayment Statement.

Taxpayers must apply for a prepayment reduction for each prepayment period.

In order to apply, please write a letter to Business Tax Section, Account Services Unit, P.O. Box 7425, San Francisco, CA 94120. In your letter, please be sure to clearly indicate your business name, address, and Certificate number.