Sales tax is a major piece of California’s revenue stream. In recent years, moreover, California has aggressively pursued income from sales audit and enforcement programs. Thus, knowledge of the subject has become increasingly important.

If you are looking for an answer to a specific question or an expert in a sales tax audit defense, that’s where we come in. Our goal is to answer your questions before a visit by a Board of Equalization auditor. We’re just a telephone call or email away. In those cases that require an audit finding to be appealed, we can guide you, with our specialized, in-depth experience, through the California Board of Equalization’s administrative appeals process.

Take advantage of this member service. Call or email Gerry Bonetto at (323) 728-9500 or gerry@piasc.org.

Consumer Product Safety Act Amended

President Obama has signed a bill into law that amends the Consumer Product Safety Improvement Act (CPSIA). The bill not only provides much needed added flexibility and discretion to the Consumer Product Safety Commission to implement this law, it also excludes children’s books and paper-based printed materials from onerous third-party testing and certification requirements now in place for any and all products marketed to children under 12 years of age.

Printing Industries of America’s Lisbeth Lyons, VP of Government Affairs, and Gary Jones, VP of Environmental Health & Safety, have spent more than two years before the Consumer Product Safety Commission and in the halls of Congress providing environmental data, formal regulatory comments, and legislative testimony explaining the safety factors of print manufacturing processes and urging lawmakers to take action to exempt what was considered by many to be an unintentional consequence of the original law passed in 2008.

Lyons said, “Even for printers who do not specialize in children’s books or printed materials geared toward children, this is still a significant industry accomplishment. Achieving an exclusion for books and paper-based printed materials from environmental and consumer regulation goes a long way to remind lawmakers that the printing & graphic communications industry’s products are sustainable, safe, and leading edge when it comes to environmentally sound manufacturing.”

For more information on the CPSIA visit http://www.printing.org/cpsia

Eyewash Stations

Cal/OSHA requires that an emergency eyewash stations, either plumbed or self-contained, be provided whenever employees may come into contact with prepress or pressroom chemicals. Here’s the rules:

- Water hoses, sinks faucets and showers do not comply with Cal/OSHA eyewash standards.
- The station must be no more than 10 seconds walking distance and not over 100 feet from the potential point of hazard and must be free of items that obstruct its use.
- The station’s control valve, when activated, must remain on without further action on the part of the operator until shut off by the operator.
- The station must be capable of delivering water to the affected area for 15 minutes. Water flow rate must be 0.4 gallons per minute.
- The plumbed station must be tested monthly for perfect working order to ensure that there are no rust particles or clogs in the drain, and that the station has not been shut off.
- Finally, the use of eyewash bottles, which are sometimes included in first-aid kits, do not meet Cal/OSHA standards.
Jobs First Plan

Governor Brown wants a revised tax plan designed to promote job growth, which eliminates the election of corporate tax calculations to offset new incentives for businesses to grow and hire in California.

Under the plan, the Governor wants lawmakers to change a tax formula passed in 2009 that allows corporations to choose between two different apportionment formulas for determination of tax liability. The move would force most corporate taxpayers to calculate liability solely on the portion of sales they have in California, a method commonly referred to as “single-sales factor.”

The Governor wants to use the estimated $1 billion to be generated to provide sales tax exemptions for startup manufacturers and existing firms as an incentive to hire. He also proposes expanding employee tax credits for companies.

The plan calls for a 3.9 percent sales tax exemption for startup manufacturers and a 3 percent exemption for all other firms buying manufacturing equipment. He wants to raise the credit from $3,000 to $4,000 per worker for businesses that employ up to 50 people. Currently, the credit applies only to businesses with up to 20 employees.

Regulatory Review Legislation

On September 1st, Senate President pro Tempore Darrell Steinberg (D-Sacramento) and Assembly Speaker John Perez (D-Los Angeles) held a press conference to announce a package of bills designed to improve California’s regulatory environment.

The primary bill, SB 617 (Ron Calderon, D-Montebello), requires state agencies to conduct robust economic analyses of major new regulations ($50 million or more in costs) and gives approval authority to the Department of Finance.

But SB 617 does nothing to address current regulations.

The good news is that majority party legislators are talking about this—an acknowledgement that the regulatory climate is bad and needs to be fixed.

The package of bills will likely be voted as the session comes to a close.

Small Quantity Generator Programs

Some counties allow small businesses to use their household hazardous waste collection program, and other counties have established stand alone small quantity generator programs to collect hazardous and universal wastes from small businesses.

Small business disposal options are available upon qualification as a Conditionally Exempt Small Quantity Generator (CESQG). This service provides affordable, safe, legal, and convenient disposal of hazardous waste for businesses that generate:

- Less than 27 gallons, or 220 pounds, of hazardous waste per month.
- Less than 1 quart, or 2.2 pounds, of acute hazardous waste per month.

Call the respective county, or visit the website, to determine what wastes are accepted, fees charged, and dates and locations of waste collection. You can find a link to each county at the following website: http://www.cdacompass.com/Directory/Household-Hazardous.aspx.

New Employee Rights Posting

The National Labor Relations Board has issued a Final Rule requiring most private-sector employers to notify employees of their rights to unionize under the National Labor Relations Act (NLRA) by posting a notice. The rule is scheduled to be posted in the Federal Register on August 30, 2011, and will take effect November 14th.

Once the poster is released WE will make it available to members on the association’s website for download and posting.

The board said that the workplace is the best place for notifying employees about their rights under the NLRA and since bulletin boards are a common way that employers communicate with its employees, employers should be required to post notices to employees about their right to unionize.

The NLRB has been under attack in recent months for a number of rules it is considering that opponents say are pro-union, including a proposed rule to speed up unionization elections and another changing how workers in non-acute care facilities, such as nursing homes, are unionized. The NLRB is expected to announce its final rule on the latter proposal soon.