

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

05/22/2025

2. Department

California Department of Tax and Fee Administration

3. Organizational Placement (Division/Branch/Office Name)

CDTFA/Processing, Policy, and Data Division

4. CEA Position Title

Deputy Director, Processing, Policy, and Data Division

5. Summary of proposed position description and how it relates to the program's mission or purpose.
(2-3 sentences)

The Deputy Director of the Processing, Policy and Data Division provides strategic leadership over three key bureaus, ensuring consistency and alignment of tax and fee policies with CDTFA's mission. This role supports the program's purpose by unifying cross-functional efforts, overseeing policy development, and guiding modernization efforts that enhance statewide tax administration and operational efficiency.

6. Reports to: (Class Title/Level)

Chief Deputy Director, CDTFA (Exempt Position)

7. Relationship with Department Director (*Select one*)

- ☒ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- ☐ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(*Explain*):

8. Organizational Level (*Select one*)

- ☐ 1st ☒ 2nd ☐ 3rd ☐ 4th ☐ 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the general direction of the Director and Chief Deputy Director in the Office of the Director, the Deputy Director of the Processing, Policy, and Data Division (PPDD) is responsible for providing strategic leadership, management, and administration of the PPDD operations, which include the oversight of tax and fee program policies across several key areas. The Deputy Director oversees the administration of tax and fee program support led by three bureaus: Technology & Data Analysis Bureau (TDAB), Tax Policy Bureau (TPB), and the Headquarters Operations Bureau (HOB). The Deputy Director provides strategic guidance and leadership to the bureau chiefs within the PPDD, who are responsible for overseeing the operational components of the PPDD's mission.

The Deputy Director oversees the implementation of new tax and fee programs for establishing statewide policies for all CDTFA-administered tax and fee programs. These numerous policies are developed to ensure consistency in the procedures and processes used in administering the tax and fee programs. The Deputy Director position ensures fair, equitable, and efficient processes and procedures are used for all tax and fee programs.

The Deputy Director sets the goals and objectives of the division and ensures those goals and objectives are met. Responsibilities include planning, organizing, directing, evaluating, budgeting, policy development, and implementation, of the sales and use tax and special taxes and fee (tax and fee) programs, and the development and implementation of any new tax and fee programs that may be added in the future. This includes recommending changes in the application and interpretation of statutes pertaining to the tax and fee programs. The Deputy Director directs the most complex tax and fee activities, including compliance and audit activities. The position is also responsible for sales and use tax return processing and reviews, billing, petitions, and refunds.

The Deputy Director acts in an advisory capacity to the Director and Chief Deputy Director in the Executive Office, other deputies, chiefs, state and federal government agencies, industry organizations, taxpayers, and other external stakeholders, making recommendations on program administration, policies, legislation, and strategic direction. The Deputy Director advises on public issues or problem areas in the tax and fee laws and recommends legislative remedies or alternate solutions. The Deputy Director represents the Director on tax and fee matters at hearings, meetings, conferences, and before legislative bodies.

The Deputy Director oversees the training functions and delivery of training to team members in all tax and fee programs. Training is facilitated throughout the state and is updated as necessary. The Deputy Director directs the research and analysis of issues, including regulatory changes for which discussion papers are prepared and meetings with interested parties are held.

Additionally, the Deputy Director oversees data collection, the preparation of metrics, and essential research to ensure the tax and fee programs are administered efficiently. The Deputy Director also oversees the generation of reports of data and information to inform the department's Executive Office, deputies, chiefs, other state and federal government agencies, industry organizations, taxpayers, and other external stakeholders. The Deputy Director produces statutorily mandated legislative reports that evaluate the effectiveness of existing and newly enacted tax and fee programs. The Deputy Director is responsible for the oversight of automated and modernized processes, including audit and compliance functions.

Additionally, the Deputy Director provides oversight to the automation of audit and compliance processes, exploring simplified reporting mechanisms where appropriate. The Deputy Director oversees the audit selection process and the constant evaluation of tax return data, external data sources, and machine learning outputs to identify where audit and compliance resources should be directed. The Deputy Director recommends solutions for modernizing processes, increasing efficiency and revenue, including methods to make it easier for taxpayers to comply with complicated tax laws. Data analytics from returns, along with other available data sources, will be analyzed to determine which industry areas to focus resources to increase compliance.

The Deputy Director oversees the development of identifying potential underreporting of tax and fees by taxpayers. Using data analytics from returns filed by taxpayers along with other available data sources, the Deputy Director oversees the planning and development of rules and processes involving complex calculations of amounts reported on returns, comparing amounts reported on returns with other data sources, and comparing data from other CDTFA tax programs with the returns filed. Using the rules and processes, taxpayers will be informed of their underreporting of taxes and their possible tax payables, resulting in increased revenue and streamlined processes. The Deputy Director oversees the direction of work by team members as the databases are developed, and underreporting taxpayers are identified.

The Deputy Director serves in an oversight capacity for the development and implementation of new programs and law administered by the department, ensuring the work performed aligns with statutory requirements and the objectives of the department. The Deputy Director oversees operational aspects of interpreting, drafting, and updating regulatory language. Additionally, the Deputy Director leads the development of the department-wide training programs, including the continued education and onboarding for new team members.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ☒ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- ☐ Program is indirectly related to department's primary mission.
- ☐ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: With the expansion of tax and fee programs in recent years, the Deputy Director plays a critical role in the department. CDTFA now administers 42 programs, and the Deputy Director ensures consistent operational policy development across these areas. Deputy Director translate decisions into clear, department-wide processes, guiding complex policy creation and implementation across multiple divisions.

The leadership of the Deputy Director includes managing interdepartmental collaboration and advising the Executive Office and external agencies on tax matters. The Deputy Director helps develop legislative proposals, coordinates with the Legislative Bureau, and oversees the drafting and implementation of new laws. Once enacted, they ensure the administration of new laws by working with program areas to create and operationalize relevant policies and procedures.

A key focus of the Deputy Director is policy development outside the PPDD, enabling other areas to concentrate on execution. This involves close coordination with the Field Operations Division (FOD) and Business Taxes and Fees Division (BTFD), which apply sales and use tax and special fee policies. While divisions may create internal procedures, PPDD centralizes and documents formal policies, ensuring clarity and consistency. The Deputy Director collaborates with Internal Audit Bureau (IAB) to guide proper auditing of these policies.

The Deputy Director also direct CDTFA's audit and compliance programs, ensuring equitable interpretation and application of laws, rules, and procedures. While other C.E.A.s focus on divisional policy, the PPDD is the central hub for policy-making in certain sales and use tax and special tax programs.

The Deputy Director leads law implementation, translating new legislation into actionable policies and procedures. This includes system changes, taxpayer outreach, returns, training materials, accounting, budgeting, and assigning responsibilities.

The Deputy Director also oversee key sales and use tax functions, including petitions, return corrections, billing, collections, desk audits, refunds, and appeals. Their leadership supports CDTFA's mission by overseeing complex research, ensuring system accuracy, and developing audit leads that help close tax gaps.

As a primary decision-maker, the Deputy Director recommends and implements high-impact policies, often leading automation initiatives in areas such as registration, return processing, collections, audits, and appeals. These improvements enhance efficiency, boost revenue, and make processes more user-friendly for taxpayers.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

This is a new position in a new division.

The change to create the new division is necessary and required for the department moving forward in order to better meet its mission in serving the people of the State of California in assuring tax collection in a fair and equitable manner.

The PPDD will allow the department to centralize the acquisition, evaluation, and analyzation of data for the purpose of modernizing our processes. The division will be responsible for the implementation of new legislation and the creation of policy and processes department-wide. Other program areas will be responsible for the execution of the formulated policy and processes created by the new division. This division will focus on implementing and administering changes to new and existing tax programs, analyzing data from multiple sources to improve operational efficiencies and reduce taxpayer compliance burdens and continue to modernize how we do business.

Since the CDTFAs establishment in 2017, departmental policy areas, research and statistics, and data analysis have been spread throughout the agency's divisions, including program areas their workloads directly effect. In order to assure independent policy development that effect the tax programs administered by the department and its program areas, consolidate research and analysis, and work towards improving data analysis, centralizing program areas whose duty includes these bodies of work is vital. Additionally, in centralizing research and analysis and data analysis in one division would better help the department leverage information to modernize and update its policies and business infrastructure.

This position would serve as the Deputy Director of the new division In order to ensure that the goals of the division are being met, the Deputy Director would work at the higher-level providing recommendation and updates to the Chief Deputy Director and Director, leadership of other divisions, and guidance to the CEAs and civil service manager that report to this position. The body of work would encompass departmental policies, modernization, and research and statistics, ensuring that each part works together to move the department forward.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The Deputy Director is the principal policymaker in several key areas, including sales and use tax development, implementation, direction of policies to make sure sales and use tax laws are uniformly interpreted, including audit and compliance procedures. Recently, there have been tax and fee law changes involving sensitive programs related to cannabis, tobacco, and firearms. The Deputy Director is the overarching policymaker overseeing that new and updated law is implemented efficiently across various program areas. The Deputy Director is responsible for working closely with the Tax Policy Chief to evaluate and implement legislation. Policy areas influencing how law is interpreted and implemented is crucial in ensuring taxes and fees are applied effectively and uniformly across the state, having a direct impact on businesses who rely on clear, consistent tax rules. The statewide impact includes potential changes to tax rates, exemptions, or compliance requirements that can affect a broad range of industries and taxpayers.

Some areas of which the Deputy Director has great policy influence is audit and compliance processes and procedures, including refunds and petitions for sales and use tax matters, consumer use tax, and return analysis. Furthermore, the Deputy Director will oversee policy of sales and use tax and special tax and fee audits, suggesting policy changes to improve and streamline processes and ensuring the strategic goals of the department are met. The statewide impact of the policy related to auditing is substantial, as efficient tax audits and compliance procedures directly contribute to maximizing revenue for the state and contributing to the department's mission.

The Deputy Director also plays a critical role in shaping policies related to the department's use of data, research, and statistics. This includes setting policies for automated processes such as using data analytics for streamlining and simplifying audit and compliance activities. The impact of data-driven policies is significant to the department, as efficient data management and modernized processes allow the department to improve taxpayer services, reduce administrative costs, and support economic forecasting and decision-making. Through the Deputy Director's policymaking decisions, the Deputy Director ensures that the gaps, trends, studies and other data-related work is utilized to generate the maximum revenue for the state.

Below, additional examples of areas where the Deputy Director demonstrates their policymaking authority are provided:

- Provides guidance to the HOB Chief to ensure CDTFA is represented in the utmost professional, knowledgeable, and accurate way, before the Office of Tax Appeals (OTA) during hearings. Hearings are in front of a three-member panel of Administrative Law Judges. The cases are highly technical and include evidence and testimony in determining the outcome of the appeals cases. This is critical to CDTFA's mission, as the cases require advanced sales and use tax law knowledge and a strong understanding of our audit processes and audit methodologies.
- Leads the Technology & Data Analysis Bureau in all data use, analysis, storage and cataloging, research, and economic forecasting.
- Directs and provides oversight to automate audit and compliance processes.
- Provides consultation and advice to the Executive Office, senior leadership team, other program areas, external parties, and team members on matters related to the PPDD.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The Deputy Director exercises significant independence and authority to oversee the PPDD, which consists of three bureaus responsible for the proper administration of all tax and fee programs administered by CDTFA. The Deputy Director is the sole responsible party for these three bureaus and with the exception of the Executive Office, has the final decision-making authority for the bureaus. They plan, organize, direct, and evaluate the activities of the bureaus and directly report to the Executive Office on matters related to the bureaus.

The Deputy Director provides a single point of accountability to implement audit and compliance policies, procedures, practices, and standards to ensure the law is interpreted and applied uniformly among CDTFA. The Deputy Director is responsible for providing leadership in the development, implementation, and evaluation of CDTFA's operations, including but not limited to, disputed sales and use tax matters, consumer use tax assessments for vehicles, vessels, and aircraft, return processing, refunds, return analytics, research, data collection, system updates, budget matters, accounting matters, and reports. The Deputy Director oversees the functions of their bureaus to make sure work is being performed efficiently to allow for reduced costs to the state.

The Deputy Director also conveys policy decisions, research findings, data, and more to the Executive Office, other program areas, external parties, and other governmental agencies. They are the top expert in matters involving their three bureaus and provide all guidance on the sensitive and complex matters for the bureaus.

The Deputy Director provides recommendations and guidance in the automation of audit and compliance activities and utilization of data analytics for data-driven work to improve tax administration efficiencies. This results in increased revenue for the state.

The Deputy Director provides guidance and expertise in how sales and use taxes and special tax law are applied to a variety of businesses, providing guidance as necessary to team members and external parties.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The Deputy Director provides strategic oversight for the development and implementation of new policies and the interpretation of existing policies, ensuring the policies align with the relevant law and the department's broader goals. The Deputy Director has the ultimate responsibility for ensuring policies are properly developed, interpreted, and administered. The TPB Chief will be responsible for carrying out the duties related to directly working with program areas to gather input and assess operational impacts, required for policy creation efforts. In this capacity, the Deputy Director and the TPB Chief will work collaboratively with other department leadership to create strategies to implement the policies pertaining to sales use tax and special fees consistently and appropriately throughout the agency.

The Deputy Director oversees the development and interpretation of the policies formulated by the TBP Chief, of which the TPB Chief is responsible for policy development across the entire department throughout various program areas. Additionally, the Deputy Director also has oversight of the policy development, interpretation and administration of the two additional bureaus under the Deputy Director's authority, the HOB and TDAB. The Deputy Director provides high-level guidance and ensures that policies developed by these bureaus support the department's mission, comply with laws and regulations, and are implemented effectively and efficiently. With the Deputy Director's oversight, the bureaus will be held accountable, ensuring policy initiatives make sense, are efficient, and that internal and external priorities of the department are met.