



News Release

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Tax Recovery and Criminal Enforcement (TRaCE) Task Force

For Immediate Release

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State Task Force Takes Aim at Criminal Tax Evasion Help TRaCE Expose the Underground Economy and Recover funds

Sacramento – Tax evasion robs California of roughly \$8.5 billion every year—funds which are vital to public services such as education, healthcare, and public safety. As a partner of the Tax Recovery and Criminal Enforcement (TRaCE) Task Force, the Board of Equalization recently introduced and is host to the new [TRaCE website](#). The TRaCE Task Force unites state and federal resources to collaboratively investigate and prosecute people and businesses operating in the underground economy.

You can learn more about TRaCE’s mission, goals, and enforcement efforts from the [TRaCE website](#). Visitors to this site can download a form to report illegal underground activities such as tax evasion, counterfeiting, labor fraud, and human trafficking. An online system for reporting crimes is coming to the TRaCE website soon. The TRaCE Task Force reviews all leads reported for full investigation, or as applicable, referral to the appropriate state, local, or federal law enforcement agency to address.

“As an early sponsor of TRaCE, I am committed to supporting this important task force that seeks to crack down on the underground economy which competes with legitimate California businesses,” said Board of Equalization Chairman Jerome E. Horton. “Not only does the underground economy cost all taxpayers in lost revenue for public services, but also an estimated 750,000 jobs annually – jobs which could further help our state’s economic rebound.”

“We look forward to working with our government partners to combat criminal tax evasion and other underground economic activity,” said Board of Equalization Member Betty T. Yee. “It’s a step in the right direction toward recouping some of the billions of dollars we lose annually.”

“We invite every Californian to join the fight against the underground economy,” said Board of Equalization Member George Runner. “This is a battle against organized crime, human trafficking and other serious criminal activity. Criminal tax evasion damages legitimate businesses and imposes unfair costs on law-abiding citizens.”

Help take down the underground economy—Report It, Don’t Ignore It!

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The Tax Recovery and Criminal Enforcement Task Force (TRaCE) is comprised of public officials from the Department of Justice, Board of Equalization, Franchise Tax Board, Department of Alcoholic Beverage Control, Employment Development Department, Federal Bureau of Investigation and U.S. Immigration and Customs Enforcement’s Homeland Security Investigations.

The mission of the TRaCE Task Force is to combat organized elements of the underground economy engaged in the manufacture, importation, distribution, and sale of pirated intellectual property, and other economic crimes resulting in the evasion of business, payroll and/or income taxes.

For more information on other taxes and fees in California, visit www.cdtfa.ca.gov/trace.

NOTE: As a result of the Taxpayer Transparency and Fairness Act of 2017, the California Department of Tax and Fee Administration (CDTFA) replaced the Board of Equalization (BOE) as a participating member agency of TRaCE. Any reference to BOE herein or on the TRaCE website is deemed CDTFA.

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