



STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080
(916) 322-2270 • FAX (916) 324-3984
www.boe.ca.gov

BETTY T. YEE
First District, San Francisco

SEN. GEORGE RUNNER (RET.)
Second District, Lancaster

MICHELLE STEEL
Third District, Rolling Hills Estates

JEROME E. HORTON
Fourth District, Los Angeles

JOHN CHIANG
State Controller

KRISTINE CAZADD
Interim Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
January 26-28, 2011
NOTICE AND AGENDA
Meeting Agenda (as of 8:30 a.m., 01/28/11)

[Agenda Changes](#)

Wednesday, January 26, 2011

Board Committee Meeting*

This item is scheduled for Thursday, January 27, 2011.

10:00 a.m. Board Meeting Convenes**

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair may modify the order of the items on the agenda. Items may be postponed to a subsequent day; however, items will not be moved to an earlier day.

Board Meeting**

Organization of the Board

- The Board will vote to elect a Chair and Vice Chair.

A. Homeowner and Renter Property Tax Assistance Hearings
There are no items for this matter.

B. Corporate Franchise and Personal Income Tax Hearings
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

B1. ~~Karl H. Power and Natalie L. Power, 528570+~~
For Appellant: _____ David Kuhner, Representative
For Franchise Tax Board: Eric Brown, Tax Counsel
_____ Michael Cornez, Tax Counsel

B2. ~~Estate of Eva M. Lindskog (Dec'd), 466455+~~
For Appellant: _____ William Shine, Representative
For Franchise Tax Board: Daniel Biedler, Tax Counsel
_____ Bill Hilson, Tax Counsel

- B3. ~~James Tracy and Therese Tracy, 505057 +~~
 For Appellant: ~~Lawrence A. Jacobson, Attorney~~
 For Franchise Tax Board: ~~Maria Brosterhous, Tax Counsel~~
~~Ann Hodges, Tax Counsel~~
- B4. [Kevin E. Jones, 534416 +](#)
 For Appellant: Kevin E. Jones, Taxpayer
 For Franchise Tax Board: Sonia Deshmukh, Tax Counsel
 Karen Smith, Tax Counsel
- B5. [Clovus M. Sykes, 529645 +](#)
 For Appellant: Clovus M. Sykes, Taxpayer
 For Franchise Tax Board: Jaclyn Appleby, Tax Counsel
 Susan Reyes, Specialist

C. Sales and Use Tax Appeals Hearings

These items are scheduled for Wednesday afternoon, January 26, 2011, and Thursday, January 27, 2011.

D. Special Taxes Appeals Hearing

This item is scheduled for Thursday, January 27, 2011.

There are no items for the following matters:

- E. Property Tax Appeals Hearings
- F. Public Hearings

G. Tax Program Nonappearance Matters – Consent

(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

- G1. Legal Appeals MattersMr. Levine
- Hearing Notice Sent – No Response
 1. Palette of Fine Arts, LLC, 493644, 494018 (CH)
 - Hearing Notice Sent – Appearance Waived
 2. B. R. Cohn Winery, Inc., 468209 (JH)
 3. Shannah Danielle Holt, 505131 (EA)
 - Petitions for Release of Seized Property
 4. Abdul Qaiyom Karimi, 537946 (ET)
 5. Kashmir Singh Khinda, 549135 (ET)
 6. Feras Haydaer and Amal M. Haydaer, 536565 (ET)
 7. Saad Dawood Pattah, 549123 (ET)
 8. Don Yong Choi, 552562 (ET)
 9. Feras Mawas, 552298 (ET)
- G2. Franchise and Income Tax MattersMs. Kelly
- Decisions
 1. Bruce L. Beck and Rosemary Beck, 522829
 2. Steven Citron-Pousty, 515093
 3. Jeanette L. Dixon, 476764

4. Katherine Fowler, 484362
 5. Marcus Graves, 489015
 6. Sharon Jeffery, 507725
 7. Michael S. Jones, 472934
 8. Roger W. Knipp and Soledad E. Knipp, 473256
 9. Randall C. Lam, 521858
 10. John R. Mallory, 511485
 11. Natalya Morozova, 520326
 12. Toni R. Nettles, 461602
 13. Hee K. Park and Lee J. Park, 516289
 14. Ed Sawyer and Randi Sawyer, 480044
 15. Lisa Schulte, 440384
 16. Alex Scott, 522004
 17. Laura J. Seed, 489300
 18. Steven S. Stewart and Susan A. Stewart, 508861
 19. TLC Investment Club, 495495
 20. Wenceslao Torres, Jr., 488872
 21. Paul Valencia, 495480
 22. Maurice P. Woods, 492728
 23. Joseph G. Zagarino and Debbie Zagarino (AKA: Alex Dipilarez), 508824
 24. Jose C. Zambrano and Roxanne L. Zambrano, 505080
 - Petition for Rehearing
 25. Eric Paul, 461392
- G3. Homeowner and Renter Property Tax Assistance Matters
There are no items for this matter.
- G4. Sales and Use Taxes Matters.....Mr. McGuire
- Redeterminations
 1. Dayton Superior Corporation, 512832 (OH)
 2. Los Angeles SMSA, LP, 485969 (OH)
 3. Sacramento Valley LTD Partnership, 479526 (OH)
 4. Fiserv Cir, Inc., 522697 (OH)
 5. Contel Cellular California, Inc., 479517 (OH)
 6. Clariant Corporation, 523631 (OH)
 7. GTE Mobilnet of California, LP, 479524 (OH)
 8. T. A. Kyser Co., Inc., 507423 (OH)
 9. Wilson Industries, LP, 515487 (OH)
 10. Stringer Business Systems, Inc., 491314 (OH)
 - Relief of Penalty/Interest
 11. Siemens Industry, Inc., 551396 (OH)
 12. Agilent Technologies, Inc., 551832 (GH)
 - Denials of Claims for Refund
 13. Tulare Firestone, Inc., 508978 (KH)
 14. Owens & Minor Distribution, Inc., 390526 (OH)
 15. General Electric Company, 508976 (OH)
 16. Automotive Funding Group, Inc., 443780 (EA)

17. Associates Housing Finance, LLC, 301089 (OH)
- G5. Sales and Use Taxes Matters – Credits, Cancellations, and RefundsMr. McGuire
- Credits and Cancellations
 1. Color DNA, 373167 (AC)
 2. H. Young Enterprises, Inc., 551838 (BH)
 3. The Thomas Kinkade Company, 552540 (GH)
 4. School Bus Sales of California, LLC, 553264 (OH)
 - Refunds
 5. Pomona Valley Community Hospital, LTD, 459032 (AP)
 6. Regents of the University of California, 444025 (AS)
 7. Regents of the University of California, 494549 (BH)
 8. Fireside Bank, 533825 (CH)
 9. Tulare Firestone, Inc., 508978 (KH)
 10. American Material Management Alliance, Inc., 510556 (EH)
 11. Novellus Systems, Inc., 451530 (GH)
 12. Safe Credit Union, 533961 (KH)
 13. Gen-Probe Sales & Service, Inc., 528278 (FH)
 14. Prosys Information Systems, 518124 (OH)
 15. Deutsch LA, Inc., 459078 (AS)
 16. Wells Fargo Dealer Services, Inc., 531603 (EA)
 17. Nickelodeon Theatres, Inc., 470336 (GH)
 18. Daimlerchrysler Services North America, LLC, 447256 (OH)
 19. Ari Fleet LT, 533834 (OH)
 20. Verizon Wireless (VAW), LLC, 553324 (OH)
 21. Owens & Minor Distribution, Inc., 390526 (OH)
 22. Owens & Minor Distribution, Inc., 539494 (OH)
 23. General Electric Company, 508976 (OH)
 24. General Motors Acceptance Corporation, 399915 (OH)
 25. The Sherwin-Williams Company, 487893 (OH)
 26. All Good Pallets, Inc., 487612 (CH)
 27. Casework Installations, Inc., 550186 (EH)
 28. Americredit Financial Service, Inc., 531606 (OH)
 29. Lobel Financial Corporation, 533199 (EA)
 30. Doppelmayer CTEC, Inc., 479600 (OH)
 31. Rockwell Automation, Inc., 496563 (OH)
 32. American River Healthpro Credit Union, 480715 (KH)
 33. California Coast Credit Union, 534189 (FH)
 34. Transouth Financial Corporation, 533827 (OH)
 35. Schools Financial Credit Union, 533817 (KH)
 36. A-L Financial Corporation, 531607 (EA)
 37. Automotive Funding Group, Inc., 443780 (EA)
 38. Associates Housing Finance, LLC, 301089 (OH)
 39. Financial Partners Credit Union, 518048 (AA)
 40. Satellite Tracking of People, LLC, 522667 (OH)
 41. Yuasa Yi, Inc., 531035 (OH)
 42. Wartsila North America, Inc., 533201 (OH)

There are no items for the following matters:

- G6. Special Taxes Matters
- G7. Special Taxes Matters – Credits, Cancellations, and Refunds
- G8. Property Tax Matters Mr. Gau
 - Petitions for Reassessment of Private Railroad Car Tax
 1. Basell USA, Inc. (5875), 550743 'CF'
 2. The City Group/Capital Finance, Inc. (6260), 550554 'CF'

There are no items for the following matters:

- G9. Cigarette License Fee Matters
- G10. Legal Appeals Property Tax Matters

H. Tax Program Nonappearance Matters – Adjudicatory

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- H1. Legal Appeals Matters Ms. Chiu
 - Cases Heard But Not Decided
 1. [Kassem A. Mohamed and Munir Gazem Obaid, 535640 \(ET\) +](#)
 2. [Bargain Cigarettes 1, 536568 \(ET\) +](#)
- H2. Franchise and Income Tax Matters Ms. Kelly
 - Decisions
 - 1.a ~~Gerber Marital Trust (Non-Exempt), 513082~~
 - 1.b ~~Gerber Marital Trust (Exempt), 513083~~
 - 1.c ~~Gerber Survivor's Trust (Exempt), 513084~~
 2. Wayne G. Masten Revocable Inter-Vivos Trust, 472901
 3. Barbara Talalemotu, 475326
 - Petition for Rehearing
 4. Todd Lutwak, 482917

There are no items for the following matters:

- H3. Homeowner and Renter Property Tax Assistance Matters
- H4. Sales and Use Taxes Matters
- H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds Mr. McGuire
 - Credits and Cancellations
 1. Stars Petroleum, Inc., 547878 (FH)

There are no items for the following matters:

- H6. Special Taxes Matters
- H7. Special Taxes Matters – Credits, Cancellations, and Refunds
- H8. Property Tax Matters
- H9. Cigarette License Fee Matters
- H10. Legal Appeals Property Tax Matters

I. Tax Program Nonappearance Matters(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

- I1. Property Taxes Matters Mr. Gau
- Audits
 1. Telescope Communications, Inc. (7907) 'CF'
 2. Paxio, Inc. (8042) 'CF'
 - Unitary Escaped Assessment
 3. U.S. South Communications, Inc. (7660) 'CF'
- I2. Offers in Compromise Recommendations Ms. Cooke/ Ms. Fong
1. 2C Optics, Inc.
 2. Jonathan S. Jose and City Spas
 3. Manouchehr Sagart and Saga Enterprises
 4. John Serino and Paramount Auto Parts
 5. Kent C. Geyer II
 6. Domenico Di Donato, Maria Bove and Di Donato International
- I3. Local Tax Reallocation Matters
There are no items for this matter.

Chief Counsel Matters**J. Rulemaking**

This item is scheduled for Thursday, January 27, 2011.

There are no items for the following matters:

- K. Business Taxes
L. Property Taxes
M. Other Chief Counsel Matters

Administrative Session

The following items are scheduled for Thursday, January 27, 2011.

- N. Consent Agenda
O. Adoption of Board Committee Reports and Approval of Committee Actions
P. Other Administrative Matters

Q. Closed Session

This item is scheduled for Thursday, January 27, 2011 and Friday January 28, 2011.

1:30 p.m. Board Meeting Reconvenes****C. Sales and Use Tax Appeals Hearings**

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C1. [Victor S. Baglio Jr., 473489 \(UT\)](#) +

For Petitioner: Linda Baglio, Representative
For Department: Andrew Kwee, Tax Counsel

- C2. [David Harold Johnson, 451147 \(KH\) +](#)
For Claimant: David Johnson, Taxpayer
Barbara Halperin, Representative
For Department: Scott Claremon, Tax Counsel
- C3.a [Smoke Rings, Inc., 391126 \(AR\) +](#)
C3.b [Rami Michell Darghalli, 402639 \(AR\) +](#)
C3.c [Rami Michell Darghalli and Faiz Mohamed Munassar, 404172 \(AR\) +](#)
For Petitioners: Patrick Finnegan, Representative
For Department: Scott Lambert, Hearing Representative
- C4. ~~[Juan Manuel Gallardo, 466120 \(BH\) +](#)~~
~~For Petitioner: Mario West, Representative~~
~~For Department: Scott Lambert, Hearing Representative~~

Adjourn - The meeting will reconvene on Thursday, January 27, 2011, at 9:30 a.m.

General information regarding Board and Committee Meetings can be found at <http://www.boe.ca.gov/meetings/boardcomm.htm>. If you would like specific information regarding items on this Notice and Agenda, please telephone (916) 322-2270 or e-mail: MeetingInfo@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

If you wish to receive this Notice and Agenda electronically, you can subscribe at www.boe.ca.gov/agenda.

If you wish to listen to and/or view a live broadcast of the Board meeting, please go to www.boe.ca.gov and click on Webcast.

The hearing location is accessible to people with disabilities. Please contact Joann Richmond at (916) 322-1931, or e-mail Joann.Richmond@boe.ca.gov if you require special assistance.

Diane G. Olson, Chief
Board Proceedings Division

- * Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- ** Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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450 N Street, Room 121, Sacramento
January 26-28, 2011
NOTICE AND AGENDA
Meeting Agenda (as of 8:30 a.m., 01/28/11)

[Agenda Changes](#)

Thursday, January 27, 2011

9:30 a.m. Board Committee Meeting Convenes*

Board Meeting reconvenes upon Adjournment of the Board Committee Meetings**

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Board Committee Meeting*

[Legislative Committee](#)Mr. Horton, Committee Chair

Set forth below are suggestions for Property Taxes, Business Taxes and Administration legislation to be sponsored by the BOE in the first year of the 2011-12 Legislative Session.

2011 Legislative Proposals: Property Taxes

- 1-1 Amend Revenue and Taxation Code Sections 830 and 862 of the Property Tax Law to expressly provide in statute that state assessee penalties for failure to timely provide information may be partially abated. (Housekeeping)
- 1-2 Amend Revenue and Taxation Code Section 63.1 of the Property Tax Law to expressly allow the parent-child exclusion on transfers of interests in cooperative housing corporations. (Housekeeping)
- 1-3 Amend Revenue and Taxation Code Section 69.5 of the Property Tax Law to clarify the definition of "substantially damaged or destroyed." (Housekeeping)
- 1-4 Amend Revenue and Taxation Code Section 74.5 of the Property Tax Law to update the citations to the building codes for purposes of the new construction exclusion for seismic safety. (Technical)

- 1-5 Amend Revenue and Taxation Code Section 74.6 of the Property Tax Law to correct the reference to the California Constitution as amended by Proposition 13 of 2010. (Technical)
- 1-6 Amend Revenue and Taxation Code Sections 205.5 and 279 of the Property Tax Law to ensure that an unmarried surviving spouse that is receiving the disabled veterans' exemption will continue to receive the exemption if he or she is confined to a hospital or care facility. (Technical)
- 1-7 Add Revenue and Taxation Code Section 271.5 to, repeal Section 75.23 of, and amend Section 531.1 of, the Property Tax Law to clarify that property tax exemptions cease as of the date of sale or transfer of the property. (Housekeeping)
- 1-8 Amend Revenue and Taxation Code Section 276.2 of the Property Tax Law to extend the time a claimant may file for the disabled veterans' exemption upon a property's eligibility after the lien date. (Housekeeping)
- 1-9 Amend Revenue and Taxation Code Section 278 of the Property Tax Law to specify that the disabled veterans' exemption notice shall be mailed annually, prior to the lien date, to claimants who received the exemption in the immediately preceding year. (Housekeeping)
- 1-10 Amend Revenue and Taxation Code Section 279 of the Property Tax Law to include the events that qualify a claimant for the disabled veterans' exemption and make other minor technical corrections. (Housekeeping)
- 1-11 Amend Revenue and Taxation Code Section 483 of the Property Tax Law to clarify the local body through which an assessee must appeal a penalty for failure to timely file a change in ownership statement. (Housekeeping)
- 1-12 Amend Revenue and Taxation Code Section 4831 of the Property Tax Law to allow manufactured homes to receive a decline in value after the roll has closed. (Housekeeping)
- 1-13 Amend Revenue and Taxation Code Sections 11551 and 11596 of the Private Railroad Car Tax Law to raise the statutory threshold from more than \$15,000 to more than \$50,000 for requiring a public record of proposed determinations to grant refunds or cancellations of tax. (Housekeeping)

2011 Legislative Proposals: Business Taxes

- 2-1 Amend Section 6591.5 of the Revenue and Taxation Code to revise the interest calculation provisions in the tax and fee programs the BOE administers so that the rate of interest allowed on refunds of tax and fee overpayments is the same as that calculated on late payments.

- 2-2 Amend Revenue and Taxation Code Section 6829 of the Sales and Use Tax Law to include imposition of personal liability on responsible persons of a closely held corporation or closely held limited liability company (LLC) for liabilities arising during a period of suspension of that closely held corporation or closely held LLC, but only if the corporation or LLC is not revived within 60 days of the imposition of the suspension. Further, add statutes comparable to Section 6829, as amended, to those BOE-administered special tax and fee programs where circumstances would warrant the imposition of personal liability on an officer, partner, member, manager, or other person having control or supervision of, or who is charged with the responsibility for the filing of returns or the payment of taxes or fees for a corporation, partnership, limited partnership, limited liability partnership, or LLC that has been terminated, dissolved or abandoned or on a responsible person of a closely held corporation or closely held LLC that has been suspended without being timely revived.
- 2-4 Add Sections 7157, 8407, 30483 and 60709 to, and amend Section 30474 of, the Revenue and Taxation Code to provide the Board of Equalization (BOE) and the State Controller's Office with express authority to collect orders of restitution awarded to the BOE in criminal proceedings in the same manner as tax liabilities.

2011 Legislative Proposals: Business Taxes: Sales and Use Taxes

- 3-2 Add Revenue and Taxation Code Section 6593.7 to the Sales and Use Tax Law to authorize the Members of the BOE, meeting as a public body, to relieve all or any part of interest imposed on a late payment if the Members find, in their discretion, that a person's late payment was due to extraordinary circumstances and that it is inequitable to compute interest as the law requires, under specified circumstances.
- 3-3 Amend Revenue and Taxation Code Sections 6055 and 6203.5 of the Sales and Use Tax Law to remove the requirement that retailers and lenders file an election form with the BOE prior to claiming a bad debt in the case of accounts held by a lender that have been found worthless and written off by the lender. (Housekeeping)
- 3-4 Amend Civil Code Section 1793.25 to allow the BOE to reimburse a manufacturer of a new motor vehicle for the use tax the manufacturer refunds to a buyer or lessee when the new motor vehicle is reacquired by the manufacturer pursuant to California's "Lemon Law." (Technical)
- 3-5 Amend Business and Professions Code Section 7145.5 to authorize the BOE to request the Contractor's State License Board for a denial or suspension of a contractor's license for failure to resolve any outstanding final tax or fee liabilities.
- 3-6 Amend Unemployment Insurance Code Section 1088.5 to allow the BOE to use the new employee registry information maintained by the Employment Development Department for tax enforcement purposes.

- 3-7 Amend Revenue and Taxation Code Section 6363.3 of the Sales and Use Tax Law to extend the sunset date, from January 1, 2012 to January 1, 2017, of the sales and use tax exemption for thrift stores that benefit individuals with HIV or AIDS.
- ~~3-8 Add Revenue and Taxation Code Section 7059 to the Sales and Use Tax Law to require the BOE to conduct a study to evaluate the feasibility of employing a system in which sales tax reimbursement collected by retailers is segregated or identified at the time of sale and simultaneously transferred to the State.~~
- ~~3-9 Add Revenue and Taxation Code Section 6012.4 to the Sales and Use Tax Law to specify that the "gross receipts" and "sales price" from the retail sale of a wireless communication device, as defined, is limited to the amount charged for the sale of that device when it is sold in a bundled transaction, as defined.~~
- 3-10 Amend Revenue and Taxation Code Section 6018.3 of the Sales and Use Tax Law to eliminate the sunset date and thereby extend indefinitely the provision that makes a United States disabled veteran, as specified, a consumer, rather than a retailer, of food products and nonalcoholic beverages that he or she sells, provided that, for purposes of selling these items, the veteran has no employees and no permanent place of business, as defined.
- ~~3-11 Add Revenue and Taxation Code Section 6092.5 to the Sales and Use Tax Law to provide that every person selling a vehicle at auction may not accept a resale certificate from a purchaser who is not a licensed dealer or dismantler.~~
- 3-12 Amend Revenue and Taxation Code Section 6248 of the Sales and Use Tax Law to make a technical clarification to the repair, retrofit and modification exception related to the 12-month rebuttable presumption for vessels purchased outside this state. (Technical)
- 3-13 Amend Revenue and Taxation Code Section 7096 of the Sales and Use Tax Law to allow a taxpayer to file a claim for reimbursement of bank charges and third party check charges incurred by the taxpayer as the direct result of an erroneous processing action or erroneous collection action by the Board of Equalization (BOE). (Housekeeping)
- 3-14 Add Revenue and Taxation Code Section 6070.5 to the Sales and Use Tax Law to provide that the Board of Equalization (BOE) may refuse to issue a seller's permit to any person who has an outstanding liability with the BOE and has not entered into an installment payment agreement.

2011 Legislative Proposals: Business Taxes: Special Taxes And Fees

- 4-1 Amend Revenue and Taxation Code Sections 41031 and 41032 of the Emergency Telephone Users Surcharge Law to remove the requirement for the BOE to publish in its meeting minutes the emergency telephone users surcharge rate set by the California Technology Agency (CTA).

- 4-2 Amend Revenue and Taxation Code Section 50113.1 of the Underground Storage Tank Maintenance Fee Law to allow the Board of Equalization (BOE) to limit the period to three years for which a deficiency determination may be issued or adjusted with respect to a qualified absentee owner of an underground storage tank.
- ~~4-3 Add Sections 22974.6 and 22978.9 to the Business and Professions Code to authorize the Board of Equalization (BOE) to impose a civil penalty rather than seizing tobacco products with a retail value of less than one thousand dollars (\$1,000) in cases where the licensee is unable to document the payment of tax with a purchase invoice.~~

2011 Legislative Proposals: Business Taxes: Administration

- 5-1 Amend Government Code Sections 17280.1 and 17280.2 to specifically provide that the BOE shall accept registered warrants as payment for any tax, surcharge, or fee liability to the BOE if the registered warrant is issued specifically to that tax, fee, or surcharge payer.
- 5-2 Add Section 14669.16 to the Government Code to authorize the Department of General Services, with the consent of the Board of Equalization (BOE), to enter into a lease, lease-purchase agreement, or lease with an option to purchase a build-to-suit facility in the Sacramento area for purposes of consolidating the BOE Headquarters operations into one central location.

Board Meeting Reconvenes**

C. Sales and Use Tax Appeals Hearings

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C5. [William Brett Corbin, 434956 \(EA\) +](#)

For Petitioner: William Corbin, Taxpayer
For Department: Cary Huxsoll, Tax Counsel

C6. [Paul Glasson, 482541 \(CH\) +](#)

For Petitioner: Paul Glasson, Taxpayer
For Department: Andrew Kwee, Tax Counsel

D. Special Taxes Appeals Hearing

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

Petition for Release of Seized Property

D1. [Jeff & Amy Incorporated, 547450 \(ET\) +](#)

For Petitioner: Mary Mathew, Taxpayer
Joseph Mathew, Taxpayer
For Department: Pamela Mash, Tax Counsel

Chief Counsel Matters

Items that appear under these matters provide information to the Members and may require Board action or direction.

J. Rulemaking

- J1. [Petition to Amend Property Tax Rule 462.160, *Change in Ownership – Trusts*](#) +..... Mr. Moon
 Petition to amend Property Tax Rule 462.160, *Change in Ownership – Trusts*, to add examples demonstrating that the termination of a life estate does not result in a change in ownership.

Administrative Session

Items that appear under these matters provide information to the Members and may require Board action or direction.

- N. Consent Agenda** Ms. Olson
 (Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

N1. [Retirement Resolutions](#) +

- Maria Elisa Chang
- Pardip N. Dayaram
- Diane R. Fisher
- Fe Marian Gonzales
- Ronald L. Helm
- Patricia A. Johnson
- Pamela Licon
- Alfredo D. Morales

N2. Approval of Board Meeting Minutes

- [September 14-15, 2010](#) +
- [October 19-21, 2010](#) +

O. Adoption of Board Committee Report and Approval of Committee Actions

- O1. Legislative Committee

P. Other Administrative Matters

- P1. Executive Director's Report Ms. Cazadd
1. 2010 Holiday Food Drive Report
 The 2010 Holiday Food Drive is completed; over 74,000 pounds were raised by the BOE.
 2. 2010 Employee Recognition Award Program Presentation
 The Board announces and congratulates recipients of the Employee Recognition Awards: individuals and 6 groups.

- P2. Chief Counsel's Report Mr. Ferris
1. Investigations Division Update
Enforcement against human trafficking: new online training and coordinated guidance for BOE staff that may find indications of human trafficking during field calls.
- P3. Sales and Use Tax Deputy Director's Report Mr. McGuire
1. [CROS Project Update +](#)
An update on the progress of the CROS project to replace BOE's tax legacy technology systems.
 2. Update on BOE's Efforts for Enhancing Compliance in the Motor Vehicle Industry and on the Consumer Motor Vehicle Recovery Fund (CMVRF) Database
Report regarding initiatives to enhance compliance of the Motor Vehicle Dealer industry, including cooperative efforts with the Department of Motor Vehicles (DMV), internal initiatives using enhanced and timely data from the DMV's CMVRF database and other potential solutions, including sales tax collection in conjunction with DMV registration fees and pre-collecting sales tax from auctioneers.
- P4. Property and Special Taxes Deputy Director's Report
There are no items for this matter.
- P5. [Administration Deputy Director's Report+](#) Ms. Houser
1. Facilities Update
 - a. Headquarters Facilities
Update on the Headquarters remediation project.
 - b. Headquarters Annex
Update on the Headquarters annex locations.
 - c. San Diego/San Marcos Site Search
Update on the site search to relocate the San Diego and San Marcos Offices.
 2. 2010/11 and 2011/12 Budget Update and Union Agreements
 - a. Information update on the budget: summary of relevant provisions of the Governor's 2010/11 Budget, and 2011/12 Union Agreements.
 - b. [Information on the impact of the Personal Leave Program 2010 on the Board's revenue collection efforts. +](#)
- P6. Technology Deputy Director's Report
There are no items for this matter.

P7. External Affairs Deputy Director's ReportMs. Gore

1. [2011 Annual Outreach Plan and Budget +](#)

Presentation of the BOE Outreach Event Plan for calendar year 2011. The Outreach plan includes a list of events/seminars and online projects for 2011, and a summary of outreach events and online seminar statistics for the 2010 calendar year.

Announcement of Closed Session Ms. Olson

Q. Closed Session

Q1. Discussion and action on staff recommendations regarding settlement cases (Rev. & Tax. Code §§ 6901, 7093.5, 30459.1 and 50156.11).

Q2. Pending litigation: *Governor Arnold Schwarzenegger, et al. v. State Controller John Chiang, et al.*, Sacramento County Superior Court, Case No. 34-2009-80000158 (Gov. Code § 11126(e)).

Q3. Pending litigation: *Schroeder, et al. v. State Board of Equalization, et al.* Sacramento Superior Court Case No. 34-2008-00004467-CU-MT-GDS; *Frankot, et al. v. State Board of Equalization, et al.*, Sacramento Superior Court Case No. 34-2008-00012174-CU-PO-GDS; and, *Allen, et al. v. State Board of Equalization, et al.*, Sacramento Superior Court, Case No. 34-2008-00017014-CU-TT-GDS (Gov. Code § 11126(e)(2)(B)(i)).

Q4. Discussion and action on personnel matters (Gov. Code § 11126(a)).

Announcement of Open Session..... Ms. Olson

Adjourn - ~~The meeting will reconvene on Friday, January 28, 2011, at 9:30 a.m.~~

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Diane G. Olson, Chief
Board Proceedings Division

- * Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- ** Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



STATE BOARD OF EQUALIZATION
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State Controller
KRISTINE CAZADD
Interim Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
January 26-28, 2011
NOTICE AND AGENDA
Meeting Agenda (as of 8:30 a.m., 01/28/11)

Agenda Changes

Friday, January 28, 2011

9:30 a.m. Board Meeting Reconvenes**

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair may modify the order of the items on the agenda. Items may be postponed to a subsequent day; however, items will not be moved to an earlier day.

Board Meeting**

Announcement of Closed Session Ms. Olson

Q. Closed Session

- Q1. Discussion and action on staff recommendations regarding settlement cases (Rev. & Tax. Code §§ 6901, 7093.5, 30459.1 and 50156.11).
Q2. Pending litigation: Governor Arnold Schwarzenegger, et al. v. State Controller John Chiang, et al., Sacramento County Superior Court, Case No. 34-2009-80000158 (Gov. Code § 11126(e)).
Q3. Pending litigation: Schroeder, et al. v. State Board of Equalization, et al., Sacramento Superior Court Case No. 34-2008-00004467-CU-MT-GDS; Frankot, et al. v. State Board of Equalization, et al., Sacramento Superior Court Case No. 34-2008-00012174-CU-PO-GDS; and, Allen, et al. v. State Board of Equalization, et al., Sacramento Superior Court, Case No. 34-2008-00017014-CU-TT-GDS (Gov. Code § 11126(e)(2)(B)(i)).
Q4. Discussion and action on personnel matters (Gov. Code § 11126(a)).

Announcement of Open Session..... Ms. Olson

Adjourn

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