STATE BOARD OF EQUALIZATION MEETING
5901 Green Valley Circle, Room 207, Culver City
June 24-26, 2014
NOTICE AND AGENDA
Meeting Agenda (as of 6/25/2014, 10:30 AM)

Agenda Changes

Webcast on Tuesday, June 24, 2014

Tuesday, June 24, 2014

9:30 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.

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

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

B1. Rajparkash Singh, 608445 +
    For Appellant: Rajparkash Singh, Taxpayer
                    Ike Song, Representative
    For Franchise Tax Board: Eric Yadao, Tax Counsel
                            Diane Ewing, Tax Counsel

    For Appellant: Geoffrey A. Weg, Attorney
                    Philip S. Magaram, Attorney
    For Franchise Tax Board: Diane Ewing, Tax Counsel
                        Karen Smith, Tax Counsel

B3. Semyon Shekhter and Elena Shekhter, 740750 +
    For Appellants: Semyon Shekhter, Taxpayer
                    Jim Clarke, Witness
                    Clark A. Samuelson, Jr., Representative
                    Scott Stogsdill, Representative
                    Jim Murphy, Representative
    For Franchise Tax Board: Todd Watkins, Tax Counsel
                          Michael Cornez, Tax Counsel
B4. Richard A. Hall, 533898 +
For Appellant: Lavar Taylor, Attorney
Lisa Nelson, Attorney
For Franchise Tax Board: Leah Thyberg, Tax Counsel
Michael Cornez, Tax Counsel

B5. Ilona Foyer, 569037 +
For Appellant: Solis Cooperson, Attorney
For Franchise Tax Board: Maria Brosterhous, Tax Counsel
Karen Smith, Tax Counsel

B6. Rob Zakir and Raya Zakir, 624832 +
For Appellants: Rob Zakir, Taxpayer
For Franchise Tax Board: Eric Yadao, Tax Counsel
Diane Ewing, Tax Counsel

B7. Youram Nassir and Shirin Farzadmehr, 739070 +
For Appellants: Allen M. Ullman, Representative
Allan Vizvary, Representative
For Franchise Tax Board: Eric Yadao, Tax Counsel
Karen Smith, Tax Counsel

B8. Ellen Gruber, 728277 +
For Appellant: Ellen Gruber, Taxpayer
Ike Song, Representative
For Franchise Tax Board: Eric Yadao, Tax Counsel
Karen Smith, Tax Counsel

B9. Willard M. Christine, 743543 +
For Appellant: Willard M. Christine, Taxpayer
For Franchise Tax Board: Karen Smith, Tax Counsel
Eric Yadao, Tax Counsel

C. **Sales and Use Tax Appeals Hearings**
These items are scheduled for Wednesday and Thursday, June 25 and 26, 2014.

D. **Special Taxes Appeals Hearings**
These items are scheduled for Thursday, June 26, 2014.

E. **Property Tax Appeals Hearings**
There are no items for this matter.
F. Public Hearings

F1. Timber Harvest Values and Modified Harvest Values +.................. Mr. Gau
On or before June 30, 2014, the Board shall estimate the immediate harvest values of and adopt schedules for each species or sub-classification of timber harvested between July 1 and December 31, 2014. Additionally, the Board may modify immediate harvest values to reflect material changes in timber values that result from fire or other catastrophic cause for any area or part thereof in which damaged timber is located. Revenue and Taxation Code section 38204.

F2. Business Taxpayers' Bill of Rights Hearings............................Mr. Gilman
Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board’s administration of its tax programs, including sales and use taxes, environmental fees, fuel taxes, and excise taxes, and any problems identified in the Taxpayers’ Rights Advocate’s Annual Report +.

F3. Property Taxpayers’ Bill of Rights Hearings.............................Mr. Gilman
Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board’s administration of its tax programs, including state and county property tax programs, and any problems identified in the Taxpayers’ Rights Advocate’s Annual Report +.

Tax Program Nonappearance Matters
The following items are scheduled for Wednesday, June 25, 2014.
G. Tax Program Nonappearance Matters – Consent
H. Tax Program Nonappearance Matters – Adjudicatory
I. Tax Program Nonappearance Matters

Chief Counsel Matters
There are no items for the following matters:
J. Rulemaking
K. Business Taxes
L. Property Taxes
M. Other Chief Counsel Matters
Administrative Session
Items that appear under these matters provide information to the Members and may require Board action or direction.

N. Consent Agenda .................................................................................. Ms. Richmond
(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

N1. Retirement Resolutions +
   • Brenda Hail
   • Jullie Stricker

N2. Approval of Board Meeting Minutes
   • May 22, 2014 +

N3. Approval of Corrected Board Meeting Minutes
   • October 31, 2013 +

N4. Proposed Revisions to Audit Manual, Chapter 4, General Audit Procedures +


O. Adoption of Board Committee Reports and Approval of Committee Actions
   There are no items for this matter.

P. Other Administrative Matters

P1. Executive Director’s Report ......................................................... Ms. Bridges

   2. Summons to Annual Meeting of the Board and County Assessors and Proposed Meeting Location +.......................... Mr. Gau
   Proposed change to the 2014 Board Meeting Calendar for November to add the annual Board/Assessors’ meeting in San Rafael, California and request approval to summon county assessors to such meeting with the Board to discuss issues relating to property assessment administration.

   3. CROS Project Update and Actions .............................................. Mr. Steen
   Progress on the CROS project to replace BOE’s two current tax legacy technology systems.

P2. Chief Counsel’s Report ................................................................. Mr. Ferris
   1. A report on the constitutionality of the Board of Equalization’s Taxpayer Bill of Rights. +.......................... Mr. Tucker
There are no items for the following matters:
P3. Sales and Use Tax Deputy Director’s Report
P4. Property and Special Taxes Deputy Director’s Report
P5. Administration Deputy Director’s Report..........................Ms. Murphy
   1.  2014/15 Budget Update
       Information on the 2014/15 Budget may be provided.

There are no items for the following matters:
P6. Technology Deputy Director’s Report
P7. External Affairs Deputy Director’s Report

Announcement of Closed Session ....................................................... Ms. Richmond

Q.  Closed Session

   Q1. Discussion and approval of staff recommendations regarding settlement
cases (Rev. & Tax. Code, §§ 6901, 7093.5, 30459.1, 50156.11).
   Q2. Discussion and action on personnel matters (Gov. Code, § 11126(a)).

Announcement of Open Session.......................................................... Ms. Richmond

Recess - The meeting will reconvene on Wednesday, June 25, 2014, at 9:30 a.m.

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taxpayer information cannot be publicly disclosed.

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Joann Richmond, Chief
Board Proceedings Division
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C. Sales and Use Tax Appeals Hearings

Local Tax Reallocation Hearing
(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.**)

C1. City of Fillmore, 626418 +

For Petitioner:  Manuel Minjares, Representative
David Rowlands, Representative
Joseph A. Vinatieri, Attorney
Jeffrey S. Baird, Attorney
Tiffany Israel, Attorney

For Notified Jurisdiction
City of San Diego:  Matt Vespi, Representative
Janis Varney, Representative
Eric Myers, Attorney
Paul Prather, Attorney

For Taxpayer
Owens & Minor:  Grace DenHartog, Representative
Richard Drooyan, Attorney
Eric J. Miethke, Attorney

For Department:  Scott Claremon, Tax Counsel
Sales and Use Tax Hearings
(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

C2. PCS Wireless, Inc., 572015 (EA) +
   For Petitioner: Andrew B. Mai, Representative
   Hai V. Dang, Representative
   For Department: Scott Lambert, Hearing Representative

C3. Golden Tran III, Inc., 579091 (AC) +
   For Petitioner: Joseph Chan, Representative
   Hai V. Dang, Representative
   For Department: Scott Lambert, Hearing Representative

C4. Eva Marie Tice, 484005 (UT) +
   For Claimant: Eva Tice, Taxpayer
   For Department: Erin Dendorfer, Tax Counsel

C5. Garo Apo Garabedian, 522650 (AP) +
   For Petitioner: Garo Garabedian, Taxpayer
   For Department: Marc Alviso, Hearing Representative

C6. Osteria Panevino, Inc., 529994 (FH) +
   For Petitioner: Nicola Bruno, Representative
   For Department: Scott Lambert, Hearing Representative

C7. Andrew Steven Roganson, 538417, 737457 (AC) +
   For Claimant/Taxpayer: Andrew Roganson, Taxpayer
   For Department: Andrew Kwee, Tax Counsel

C8. Pamela Jane Everett, 426785 (EH) +
   For Petitioner: Pamela Everett, Taxpayer
   Hugh Hoskins, Representative
   For Department: Kevin Smith, Tax Counsel

C9. Seyednasrollah Mirghafouri, 574269 (EA) +
   For Petitioner: Seyed Mighafouri, Taxpayer
   For Department: Marc Alviso, Hearing Representative

G. Tax Program Nonappearance Matters – Consent
(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

G1. Legal Appeals Matters ................................................................. Mr. Angeja
   ➢ Hearing Notice Sent – No Response
     1. Alchemy Restaurant Group, LLC, 598242 (FH)
     2. Duwop, LLC, 573923 (AC)
     3. Sami Z. Elias, 588528 (FH)
     4. Jose Luis Franco, 607398 (EH)
     5. Herbal Love Caregivers/Blvd., Inc., 495223 (AS)
6. Hospitality Furniture Group, Inc., 547391 (BH)
7. I.I. Fuels, 572009 (EA)
8. Jeffrey Scott Mankins, 467919, 760227 (FH)
9. Medical Caregivers Co-Op, Inc., 573076 (AP)
10. Micro Matrix Systems, 606809 (EH)
11. Motus Brothers Restaurant Group, 548321, 551304 (EA)
12. Nativity Medical, Inc., 552586 (AS)
13. Hugo Alfredo Orellana and Dora Alicia Orellana, 525118 (AC)
14. Raul C. Ramirez, 494773 (EH)
15. Nusrat Siddique and Tania Khondoker, 521063 (AC)
16. Smart Office Interiors, 556752 (GH)
17a. Janis De La Torre, 594888 (STF)
17b. Janis De La Torre, 594889 (STF)
  ➢ Hearing Notice Sent – Appearance Waived
18. Raku Japanese Restaurant, Inc., 593204 (AC)
  ➢ Petitions for Release of Seized Property
19. Sodhi Singh Bains, 785893 (STF)
20. Miguel Torres-Campos, 745234 (STF)
21. Rouaida Hanna Charestan, 781909 (STF)
22. Tony & Mathew, Inc., 785104 (STF)

G2. Franchise and Income Tax Matters .................................................. Mr. Epolite
  ➢ Decisions
1. John M. Amaral and Doreen A. Amaral, 595890
2. Marcos S. Armenta and Renee M. Armenta, 739040
3. Mary E. Bissell, 722300
4. Arthur Black, 721471
5. Breitburn Management Company, LLC, 488021
6. Cards Limited Liability Company, 734183
7. Robert L. Chase, Jr., 709616
8. Velma Chavis, 728963
9. Kenneth Cook and Margery Cook, 727426
10. Carl Covitz and Aviva Covitz, 725800
11. Dustin S. Currey, 734186
12. De Tolosa Ranch Limited Partnership, 716926
13. Cari Foote and Ronald Foote, 729691
14. Gary N. Hall, 574103
15. Mark A. Hanacek and Lismer C. Ramos Hanacek, 596689
16. Headcount Management, 605760
17. Kliewer-Olivero, Inc., 738581
18. Karen Knecht, 719341
19. Bradley McPhee and Patricia Tagliolini, 730133
21. Shaunie O’Neal, 739994
22. James P. Pezanoski, 703879
23. Redwood Warehousing, 739998
24. Zhen Z. Song (Jenjen Song), 533716
25. The Trade Machine Corporation, 711988
26. Todd Felciano Construction Company, 720755
27. Lance Townley, 608600
28. Lorraine Vondeauxplette, 612828
29. Young Ward, Attorneys, 741807
30. Young Ward & Lothert, A Partnership, 732523
31. Stacy Zimmerman, 624793

- Petitions for Rehearing
32. Rick Burningham, 688096
33. Paul S. Entin, 575896
34. Masami Hirata, 606576

G3. Homeowner and Renter Property Tax Assistance Matters
There are no items for this matter.

G4. Sales and Use Taxes Matters

- Redeterminations
  1. Corrpro Companies, Inc., 734719 (OH)
  2. Lucky Stores, Inc., 362673 (OH)
  3. OCE Financial Services, Inc., 719336 (OH)
  4. Unger Construction, Co., 576303 (KH)

- Relief of Penalty/Interest
  5. Fisher Scientific Co., LLC, 803460 (OH)
  6. Victoria’s Secret Stores, LLC, 800654 (OH)
  7. Burlington Coat Factory of California, LLC, 800656 (OH)

- Denials of Claims for Refund
  8. Sony Electronics, Inc., 742010 (OH)

- Grant-One Day Interest Relief
  10. Advanced Fixtures, Inc., 799659 (OH)
  12. Roku, Inc., 799678 (GH)
  13. TD Oil & Gas, LLC, 799680 (CH)
  14. HD Supply Repair & Remodel, LLC, 799666 (OH)
  15. Cellerant Therapeutics, Inc., 803465 (BH)

G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

- Credits and Cancellations
  1. Elizabeth Lamont, 510412 (AS)
  2. Circuit City Stores West Coast, Inc., 514179 (OH)
  3. Pro-Motors Corp., 797417 (EA)

- Refunds
  4. Siemens Healthcare Diagnostics, Inc., 724810 (OH)
  5. Intermetro Industries Corp., 577345 (OH)
  6. Payless Shoe Source, Inc., 796194 (OH)
  7. Sony Electronics, Inc., 742010 (OH)
  8. PetSmart, Inc., 795787 (OH)
  9. ConocoPhillips Company, 797631 (OH)
10. Vacco Industries, 568182 (AP)
11. Mercedes-Benz USA, LLC, 796445 (KH)
12. BMW of North America, 799092 (OH)
13. BMW of North America, 800355 (OH)
14. US Bank NA, 578458 (OH)
15. RSC Equipment Rental, Inc., 794475 (OH)
16. Owens & Minor Distribution, Inc., 609185 (OH)
17. Ally Financial, Inc., 598236 (OH)
18. Arrowhead Central Credit Union, 772182 (EH)
19. DirecTV Operations, Inc., 313706 (AS)
20. Best Buy Stores, LP, 791349 (OH)
21. Clorox Service Company, 798787 (CH)
22. Americredit Financial Service, Inc., 734431 (OH)
23. Balboa Thrift & Loan Association, 772561 (FH)
24. United Auto Credit Corporation, 791477 (EA)
25. DirecTV, LLC, 334363 (AS)
26. KC Employees Federal Credit Union, 769184 (DF)
27. Arista Networks, Inc., 726795 (GH)

There are no items for the following matters:
G6. Special Taxes Matters
G7. Special Taxes Matters – Credits, Cancellations, and Refunds
G8. Property Tax 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 .................................................................................................. Mr. Angeja
   ➢ Case Heard Not Decided
      1. Benalex Windows & Doors Corp., 446664 (AA) +

There are no items for the following matters:
H2. Franchise and Income Tax 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
   ➢ Section 40 (AB 2323) Matter
      1. SEL Retail Operations, 735345 (OH)

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  
There are no items for this matter.

I2. Offer in Compromise Recommendations  
Mr. Anderson

1. Natividad Escobedo Alfaro  
2. Alice Bowler  
3. Irene Bracamonte  
4. Michael J. Brick  
5. Khurshid K. Choudhry  
6a. Michael E. Dolinar  
6b. Lisa A. Dolinar  
7. Guillermo Zamora Gutierrez  
8. Alice J. Kilgore  
9. Guillermina Rodriguez  
10. Hassan Abdelrahim Talli  
11. Waldeck’s, Inc.

I3. Local Tax Reallocation Matters  
There are no items for this matter.

**Recess** - The meeting will reconvene on Thursday, June 26, 2014, at 9:30 a.m.

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C.  Sales and Use Tax Appeals Hearings  
(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)  

C10.  Raymond Harry Simmons, 531521 (AS) +  
For Petitioner: Ray Simmons, Taxpayer  
For Department: Kevin Smith, Tax Counsel  

C11.  Leonard J. Silberman, 607254 (EA) +  
For Petitioner: Leonard J. Silberman, Taxpayer  
For Department: Susan V. Silberman, Witness  
For Department: Erin Dendorfer, Tax Counsel  

C12.  Dastigir G. Omar, 609881 (EH) +  
For Petitioner: Dastigir G. Omar, Taxpayer  
For Department: John Adefowora, Representative  
For Department: Scott Lambert, Hearing Representative  

D.  Special Taxes Appeals Hearings  
(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)  

D1a.  Nyoka Edy, 563276 (STF) +  
D1b.  Nyoka Edy, 563277 (STF) +  
For Petitioner: Nyoka Edy, Taxpayer  
For Department: Pamela Mash, Tax Counsel
Cigarette Licensing Penalty Appeal
(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

D2. Benny Le Huynh, 640263 (STF) +
For Appellant: Benny Huynh, Taxpayer
Nancy Huynh, Witness
Mau Huynh, Witness
For Department: Pamela Mash, Tax Counsel

Adjourn

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