



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

SEN. GEORGE RUNNER (Ret.)
First District, Lancaster

FIONA MA, CPA
Second District, San Francisco

JEROME E. HORTON
Third District, Los Angeles County

DIANE L. HARKEY
Fourth District, Orange County

BETTY T. YEE
State Controller

DAVID J. GAU
Executive Director

STATE BOARD OF EQUALIZATION MEETING
One Civic Center Plaza, Irvine
July 27-28, 2017
NOTICE AND AGENDA
Meeting Agenda (as of 7/19/2017, 4:00 PM)

[Agenda Changes](#)

[Webcast on Thursday, July 27, 2017](#)

Thursday, July 27, 2017

9:00 a.m. Pledge of Allegiance

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 or to an earlier session on the same 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. Richard R. Betchley and Kellie S. Brunk, 874758 +](#)

For Appellants: Richard R. Betchley, Taxpayer
Richard H. Betchley, Witness

For Franchise Tax Board: Susanne Coakley, Tax Counsel
Adam Susz, Tax Counsel

[B2a. Fuscoe Engineering, Inc., 668149 +](#)

[B2b. Eric Armstrong and Nancy Armstrong, 668151 +](#)

[B2c. John Olivier and Cynthia Olivier, 668188 +](#)

[B2d. Raymond S. Tokihiro and Thu Cuc, 668193 +](#)

[B2e. Patrick R. Fuscoe and Bonnie K. Fuscoe, 668203 +](#)

For Appellants: Patrick R. Fuscoe, Taxpayer
Annika K. Vanghagen, Attorney

For Franchise Tax Board: Jason Riley, Tax Counsel
Jaclyn Zumaeta, Tax Counsel

- B3. Jeffrey Moffatt and Staretta Moffatt, 878764 +**
For Appellants: Jeffrey Moffatt, Taxpayer
Star Moffatt, Taxpayer
For Franchise Tax Board: Bradley Kragel, Tax Counsel
Roman Johnston, Tax Counsel
- B4. Ruby P. Baylin, 905708 +**
For Appellant: Gelu Cismas, Representative
For Franchise Tax Board: Brian Werking, Tax Counsel
Cynthia Kent, Tax Counsel
- B5a. Richard Schotts, Jr., 798666 +**
B5b. Andrea Schotts, 800099 +
For Appellants: Waived Appearance
For Franchise Tax Board: Marguerite Mosnier, Tax Counsel
Cynthia Kent, Tax Counsel
- ~~**B6. Frank Cutler, 400347 +**~~
~~For Appellant: Frank Cutler, Taxpayer~~
~~_____ Mardiros H. Dakessian, Attorney~~
~~_____ Ruben Sislyan, Attorney~~
~~For Franchise Tax Board: Marguerite Mosnier, Tax Counsel~~
~~_____ Cynthia Kent, Tax Counsel~~
- ~~**B7. Andrew Perry and Katharine Perry, 926927 +**~~
~~For Appellants: Andrew Perry, Taxpayer~~
~~_____ Katharine Perry, Taxpayer~~
~~For Franchise Tax Board: Richard Tay, Tax Counsel~~
~~_____ Bill Hilson, Tax Counsel~~

1:30 p.m. Board Meeting Reconvenes*

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

- B8. Charles K. Lwanga, 981752 +**
For Appellant: Charles K. Lwanga, Taxpayer
For Franchise Tax Board: Andrew Amara, Tax Counsel
Cynthia Kent, Tax Counsel
- B9. Dmitry Beinus and Larisa Beinus, 987583 +**
For Appellants: Carl Hebel, Representative
For Franchise Tax Board: Maria Brosterhous, Tax Counsel
Marguerite Mosnier, Tax Counsel

- B10. Keith Wm. Brown, 984954 +**
 For Appellant: Keith Wm. Brown, Taxpayer
 For Franchise Tax Board: Brad Coutinho, Tax Counsel
 Natasha Page, Tax Counsel
- B11. Rhythmic Ascension, LLC, 984387 +**
 For Appellant: LaMonte Howard, Taxpayer
 For Franchise Tax Board: Maria Brosterhous, Tax Counsel
 Natasha Page, Tax Counsel
- B12. Ranbir Sahni and Rekha Sahni, 981510 +**
 For Appellants: Ranbir Sahni, Taxpayer
 For Franchise Tax Board: Brandon Knoll, Tax Counsel
 Roman Johnston, Tax Counsel
- B13. Mary E. Dougherty, 902403 +**
 For Appellant: Mary E. Dougherty, Taxpayer
 Christopher Donis, Representative
 For Franchise Tax Board: Brad Coutinho, Tax Counsel
 Marguerite Mosnier, Tax Counsel
- B14. Victoria Joy Le Beau, 946248 +**
 For Appellant: Victoria Joy Le Beau, Taxpayer
 Charles B. Le Beau, Witness
 For Franchise Tax Board: Brad Coutinho, Tax Counsel
 Marguerite Mosnier, Tax Counsel

The following matters are scheduled for Friday, July 28, 2017:

C. Sales and Use Tax Appeals Hearing

D. Petitions for Release of Seized Property Hearings

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

F. Public Hearing

F1. [Property Taxpayers' Bill of Rights Hearings](#).....Mr. Sutter

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 taxes, and any problems identified in the Taxpayers' Rights Advocate's [Annual Report +](#).

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. ~~Gems Unlimited, Inc., 727090 (BH)~~
 2. Great Eastern Group, Inc., 783202 (OH)
 3. Daniel Villarreal and Claudia Villarreal, 861563 (DF)
 - Hearing Notice Sent – Appearance Waived
 - 4a. Shafiqul Islam Khan, 709572 (EH)
 - 4b. Manna Begum Khan, 713048 (EH)
 - Petitions for Release of Seized Property
 5. N & Y Food Corporation, 1000342 (STF)
- G2. Franchise and Income Tax Matters Mr. Epolite
- Hearing Notice Sent – No Response
 1. John B. Echols, 916635
 - Decisions
 2. 933 Gramercy Drive, LLC, 950490
 3. Wayne J. Ahlstrom, 839878
 4. Nancy Brown, 948877
 5. Scott Daniel Burgner, 905116
 6. Ross Cavazos, 939889
 7. Daniel R. Cheatham, 978330
 8. Leonardo R. Coquico III, 861078
 - 9a. Edward Corn, Sr. and Christine Corn, 866446
 - 9b. Edward Corn, Jr. and Barbara Corn, 866447
 - 10a. Earth Protection Services, Inc., aka VJ2C, Inc., 874099
 - 10b. John M. Chilcott and Virginia I. Chilcott, 874105
 11. Ronald G. Erickson, 942093
 12. Tom Forrest, 922307
 13. Gary A. Fraizer, 940202
 14. HB Holdings, LLC, 851398
 15. Giorgiana A. Kim, 924857
 16. Henrik Kostikyan, 946246
 17. So Sum Lee, 931130
 18. Pavel Machalek, 930423
 19. Marlin Oxnard Properties, LLC, 932771
 20. Darrin J. Marthens, 861965
 21. Mediamate, LLC, 940068
 22. Steve Moshi and Fiorella Moshi, 942087
 23. Pacific Financial Asset and Management, LLC, 945405
 24. Peekema Ranch, LLC, 871568
 25. Kimothy Sampson, 800048
 26. Kim E. Stonier and Constance J. Stonier, 930820
 27. Denice R. Torres, 932814
 28. Chris Turner, 948408
 29. Charngan Tzou and Sufen Hsieh, 849486
 30. Michael E. Wills, 945414
 31. George Wright and Catherine Wright, 795254
 32. Elizabeth J. Yoder, 937784

- G3. Homeowner and Renter Property Tax Assistance Matters
There are no items for this matter.
- G4. Sales and Use Taxes Matters Ms. Buehler
- Grant-One Day Interest Relief
 1. Eastern Peak, Inc., 1007861 (AP)
 2. Fox Rent-a-Car, Inc., 1008109 (AS)
 3. G. T. Tucker, Inc., 1008364 (EH)
 4. Incredible Entertainment, Inc., 1007875 (KH)
 5. Incredible Entertainment, Inc., 1007876 (RC)
 6. Incredible Concepts, Inc., 1007877 (DF)
 7. Incredible Concepts, Inc., 1007878 (DF)

There are no items for the following matters:

- G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds
- 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
There are no items for this matter.
- H2. Franchise and Income Tax Matters Mr. Epolite
- Decisions
 1. Allan Taylor and Suzan Taylor, 718131
 - Petitions for Rehearing
 2. Amanda Gari (Abel) and Albert P. Abel, Jr., 795390
 3. Michael A. Mills, 879379
 4. Dinesh Sawhney and Rashmi Sawhney, 878210

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
- 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

There are no items for this matter.

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. Approval of Board Meeting Minutes

- [May 23-24, 2017 +](#)
- [June 20, 2017 +](#)

N2. [Report on Time Extensions for Alpine, Amador, El Dorado, Humboldt, Napa, and San Benito Counties to complete and submit fiscal year 2017-18 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155 +](#)

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

P. Other Administrative Matters

P1. Executive Director's Report Mr. Gau

1. Organizational Update

Report on the status of pending and upcoming organizational issues.

P2. Chief Counsel Report
There are no items for this matter.

P3. Property Tax Deputy Director's Report Mr. Kinnee

1. [Fiscal Year 2017-18 Private Railroad Car Tax Rate 'CF' +](#)

Report on computation of the tax rate applicable to the 2017-18 Private Railroad Car Tax Assessment.

- 2. Adoption of the 2017 Private Railroad Car Roll ‘CF’
Staff recommendation for the lien date 2017 assessment of private railroad cars under the provisions of the Private Railroad Car Tax Law.
- 3. Adoption of the 2017 State-Assessed Property Roll ‘CF’
Staff recommendation on the allocations of the unitary values adopted by the Board in May 2017, plus adjustments based on prior Board action and staff-recommended nonunitary values.

Announcement of Closed Session Ms. Richmond

Q. Closed Session

- Q1. Discussion of personnel matters (Gov. Code, § 11126(a)(1)).

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


R. Board Member Requested Matters

This matter is scheduled for Friday, July 28, 2017.

Recess - The meeting will reconvene on Friday, July 28, 2017, at 9:00 a.m.

General information regarding Board and Committee Meetings can be found at 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 email: 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  in the Board Meetings Section.

The hearing location is accessible to people with disabilities. Please contact Rose Smith at (916) 323-9656, or email Rose.Smith@boe.ca.gov if you require special assistance.

Joann Richmond, Chief
Board Proceedings Division

- * 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.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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

SEN. GEORGE RUNNER (Ret.)
First District, Lancaster

FIONA MA, CPA
Second District, San Francisco

JEROME E. HORTON
Third District, Los Angeles County

DIANE L. HARKEY
Fourth District, Orange County

BETTY T. YEE
State Controller

DAVID J. GAU
Executive Director

STATE BOARD OF EQUALIZATION MEETING
One Civic Center Plaza, Irvine
July 27-28, 2017
NOTICE AND AGENDA
Meeting Agenda (as of 7/19/2017, 4:00 PM)

[Agenda Changes](#)

[Webcast on Friday, July 28, 2017](#)

Friday, July 28, 2017

9:00 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 or to an earlier session on the same day.

R. Board Member Requested Matters

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

- R1. Honorable mention of the Orange County Assessor Supplemental Assessment Practices Survey..... Ms. Harkey

C. Sales and Use Tax Appeals Hearings

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

C1. [Marcelino V. Lopez, 855302 \(EH\) +](#)

For Petitioner: Marcelino Villa Lopez, Taxpayer
Alejandro Ramos, Representative
For Department: Nenita DeLa Cruz, Hearing Representative

C2. [Philip Colavito, 571453 \(UT\) +](#)

For Claimant: Philip Colavito, Taxpayer
Dean Seymour, Representative
For Department: Joseph Boniwell, Tax Counsel

~~C3. [Muddhouse Coffee, LLC, 704823 \(AC\) +](#)~~

~~For Petitioner: Christopher Sue, Taxpayer
For Department: Scott Lambert, Hearing Representative~~

- C4a. [H.K. Architectural Supply, 589119 \(AC\) +](#)
C4b. [Jeremy Daniel Kintner, 606857 \(AC\) +](#)
For Petitioners: Jeremy D. Kintner, Taxpayer
Raul Carrega, Representative
For Department: Scott Claremon, Tax Counsel
- C5. [Tobacco & Gifts, Inc., 795481 \(AP\) +](#)
For Petitioner: Zhi Min Liu, Taxpayer
William W. Shi, Representative
For Department: Scott Lambert, Hearing Representative
- ~~C6. [Ray J. Ponak and Mary Ellen Ponak, 818449 \(UT\) +](#)
For Claimants: [John Panak, Jr., Representative](#)
For Department: [Kevin Smith, Tax Counsel](#)~~
- C7. [Shawn Victor Bachor, 771334 \(EH\) +](#)
For Petitioner: Shawn Bachor, Taxpayer
Harold C. Newman, Representative
Pedro Bachor, Witness
For Department: Andrew Kwee, Tax Counsel
- C8. [Belle Du Jour, Inc., 837270 \(AA\) +](#)
For Petitioner: Haig Keledjian, Attorney
For Department: Nenita DeLa Cruz, Hearing Representative

D. Special Taxes Appeals Hearings

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

Petitions for Release of Seized Property Hearings


- D1. [Adel Naiem Makar, 970549 +](#)
For Petitioner: Adel Makar, Taxpayer
For Department: Joshua Aldrich, Tax Counsel
- D2. [Al's Market 3, 998641 +](#)
For Petitioner: Adel Makar, Taxpayer
For Department: Joshua Aldrich, Tax Counsel

Adjourn

General information regarding Board and Committee Meetings can be found at 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 email:

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  in the Board Meetings Section.

The hearing location is accessible to people with disabilities. Please contact Rose Smith at (916) 323-9656, or email Rose.Smith@boe.ca.gov if you require special assistance.

Joann Richmond, Chief
Board Proceedings Division

- * 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.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.