

SPECIAL TAXES AND FEES

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NEWSLETTER

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This electronic format allows you to print the entire publication or to print just the pages that provide information that pertains to your interests. If you are going paperless, download this document to your computer.

STAY INFORMED

This newsletter is published each December. Back issues of Environmental Fees, Excise Taxes, and Fuel Taxes newsletters are available on our website.

For more information regarding special taxes and fees administered by the Board of Equalization (BOE), please go to www.boe.ca.gov. You can also sign up online to receive this newsletter at [Get BOE Updates](#).

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New Legislation

The following is a summary of law changes enacted during the 2013 California legislative session that affect several BOE special taxes and fee programs. The changes described in this article are effective January 1, 2014, unless otherwise noted. To read the legislation, download them at www.leginfo.ca.gov/bilinfo.html.

- Assembly Bill (AB) 8 (Stats. 2013, Ch. 401) continues the current California tire fee of \$1.75 per tire until January 1, 2024. Effective January 1, 2024, the tire fee will be reduced to \$0.75 per tire.
- AB 781 (Stats, 2013, Ch. 532) makes it a punishable offense for any person to knowingly sell, purchase, install, transfer, or possess software programs that falsify reported sales.
- Senate Bill (SB) 78 (Stats. 2013, Ch. 33) adds Article 5 to the Revenue and Taxation Code (commencing with Section 6174) to impose a 3.9375% sales tax on sellers of Medi-Cal health care services at retail from July 1, 2013, until July 1, 2016, and retroactively restores the 2.35% gross premiums tax (GPT) on every Medi-Cal managed care plan in this state, from July 1, 2012, to July 1, 2013.
- SB 442 (Stats. 2013, Ch. 253) allows a taxpayer to file a reimbursement claim for certain charges and fees incurred due to certain Board of Equalization (BOE) collection errors, and changes the trigger of the 90-day deadline for filing a reimbursement claim from the date of the BOE erroneous action to the date the taxpayer incurred the bank and third-party charges. (See General Interest: Taxpayer refund rules eased)

Alcoholic Beverage Tax

How sake is taxed

Sake is an alcoholic beverage of Japanese origin that is made from fermented rice. Under California law, sake is included in the definition of "Wine." Section 23007 of the Business and Professions Code defines wine as follows:

"Wine, means the product obtained from normal alcoholic fermentation of the juice of sound ripe

grapes or other agricultural products containing natural or added sugar or any such alcoholic beverage to which is added grape brandy, fruit brandy, or spirits of wine, which is distilled from the particular agricultural product or products of which the wine is made and other rectified wine products and by whatever name and which does not contain more than 15 percent added flavoring, coloring, and blending material and which contains not more than 24 percent of alcohol by volume, and includes vermouth and sake, known as Japanese rice wine."

Sake is considered a wine and is taxed at the rate of \$0.20 per wine gallon. The California excise tax on wine is paid by manufacturers, wine growers, and importers.

If you have additional questions regarding the Alcoholic Beverage Tax Program, please visit our website at:

www.boe.ca.gov/sptaxprog/alcoholic_beve_tax.htm.

Cigarette and Tobacco Products Taxes

View online articles from our Cigarette and Tobacco Products Taxes Newsletter by clicking [here](#).

Diesel Fuel and Motor Vehicle Fuel Tax

Mandatory online filing for motor fuels accounts

All Supplier of MVF (PS), Supplier of Diesel Fuel (DD), Aircraft Jet Fuel Dealer (MJ), Terminal Operator (PO), and Petroleum Carrier (PC) must file online beginning with your first 2014 reporting period. Filing online is a fast, easy, and secure way to report your information to the BOE. It saves you time and money while enabling you to conveniently file online. You can get started now by following these three steps.

1. Send in your Trading Partner Agreement

Mail in your Trading Partner Agreement (TPA) to register for the Motor Fuels Electronic Filing Program. The TPA must be processed before

you may begin certification testing. The TPA form BOE-400-TPA, *Trading Partner Agreement for BOE Motor Fuels Electronic Filing Program*, is available on line at www.boe.ca.gov/pdf/boe400tpa.pdf. Mail the completed form to the BOE following the instructions on the form.

2. Authorization for Electronic Transmission of Data

BOE staff will ask you to submit form BOE-82, *Authorization for Electronic Transmission of Data* to provide us authorization to contact you regarding your filing results via email. Send this form in with your TPA. It is available on our website at www.boe.ca.gov/pdf/boe82.pdf.

3. Electronic payments

Electronic filing accounts are also required to pay any monies due electronically. The BOE has several methods available for making these electronic payments; some may require advance registration. Additional information about electronic payments is available on the BOE's website under "[Make a Payment.](#)"

Certification

Certification testing may begin once you complete the Motor Fuels Electronic Filing registration and receive the user activation notifications. Certification testing is done to ensure that you are able to submit valid electronic files to the BOE. It provides a safe environment where mistakes can be made and resolved and you can become comfortable with electronic filing without affecting "production" returns. After you complete the certification process, you are moved into production status and may begin filing your returns electronically.

During the certification testing, the BOE recommends that you use actual data from current periods to create the certification testing returns. This will create a smooth transition to the new reporting requirements.

Begin filing your returns online

Once you have successfully completed the three certification stages, you will move into production status and may begin filing your tax return electronically.

More information about the Motor Fuels Electronic Filing Program

You can find all the information about the Motor Fuels Electronic Filing Program on the BOE website at

www.boe.ca.gov/sptaxprog/mofuel_efiling.html. Or review the most frequently asked questions at www.boe.ca.gov/electsrv/efiling/efilefuelfaqtaxp.htm.

Contact Us

If you have questions, you can reach us at one of the contact points below.

Email: BOEMFeFile@boe.ca.gov

Mail: Special Taxes Audit and Carrier Division, MIC:30
Data Analysis Section
PO Box 942879
Sacramento, CA 94279-0033

Telephone: 1-800-400-7115

New electronic filing Excel® workbook template available

The BOE has updated the Motor Fuels Electronic Filing Program's FLT File Excel templates to simplify the file creation process for online filing. Version 3.1 of the Excel templates are available in Excel 2007 and Excel 2010 versions for all Motor Fuels Electronic Filing Program tax forms. FLT files created using the version 3.0 FLT File template will continue to be accepted. Highlights of the changes include:

- The Flat File worksheet was removed. Copying and pasting rows before creating the FLT file is no longer required.
- "Transaction Set" and "Type Purpose Codes" are no longer required. (Populated automatically)
- "Filer's Unique # For This Filing" is no longer required. (Populated automatically)
- An added hyperlink that takes you directly to the Motor Fuels Electronic Filing Program login screen is provided to enable you to quickly access the login screen to upload your returns.

Download an Excel template for your tax form from the Motor Fuels Electronic Filing Program's web page at: www.boe.ca.gov/sptaxprog/mofuel_efiling.html

Disclaimer: The BOE has developed Microsoft Excel templates for each tax form accepted electronically. Although these templates may be used to create valid FLT files, they are intended as examples for reference only. The BOE does not endorse the Microsoft Excel product nor does it accept liability for any problems resulting from submitting an electronic file created from the template. The BOE's Excel template may be used without a complete understanding of the FLT file format; however, a level of computer skill is required to use the Excel template.

Terminal operators' reporting of product reclassifications

Terminal operators often receive products in a terminal that they blend with other products for distribution. For example, gasoline (product code 065) and ethanol (product code 241) may be received by a terminal, blended, and distributed as blended gasohol (product code 140). In this example, the product received by the terminal and reported on the *Terminal Receipts Schedule* is different than the product distributed across the rack and reported on the *Terminal Disbursements Schedule*.

Proper reporting of the product reclassification on your [BOE 506-PO](#), *Terminal Operator Information Report* is simple. For example, if you receive gasoline (product code 065) and ethanol (product code 241), blend them, and distribute the resulting product as gasohol (product code 140), you would report the transaction as follows:

1. Report all terminal receipts (15A Schedule) of product code 065 and product code 241;
2. Report a terminal disbursement (15B Schedule) book adjustment (BA mode code) for the total gallons of product code 065 blended into product code 140;
3. Report a terminal disbursement (15B Schedule) book adjustment (BA mode code) for the total gallons of product code 241 blended into product code 140;
4. Report a terminal receipt (15A Schedule) book adjustment (BA mode code) for the total gallons of product code 140; and
5. Report all terminal disbursements (15B Schedule) of product code 140 in detail.

You may use steps 1-4 of this method to summarize all transactions during a period, or on a transaction-by-transaction basis for each disbursement of the reclassified product.

Tax-paid gasoline blended into E85

A refund of the motor vehicle fuel (MVF) tax will be allowed to any person who buys and uses tax-paid gasoline for the purpose of producing a blended fuel, provided that the resulting blended fuel is taxed as a

use fuel at the point of sale and is used to operate a motor vehicle on the state's highways. "Blended fuel" means blends of tax-paid MVF and a fuel defined as, and taxed as, use fuel, containing 15 percent or less MVF by volume, measured at 60 degrees Fahrenheit. The most common blended fuel is E85.

When blended fuels make their way to retail gas stations via "splash blending," the person removing the gasoline from the rack has already paid the MVF excise tax on the gasoline component of the blended fuel. Splash blending is a process whereby two fuel products (that is, ethanol and gasoline) are purchased separately and then blended together to create blended fuel (that is, E85). Retailers who sell the splash blended fuel, however, also remit the use fuel tax of nine cents per gallon. Therefore, the gasoline component in splash blended fuel is taxed twice, first at the rack under the MVF tax law and also at the point of retail sale under the use fuel tax.

To qualify for a refund, you must be able to prove the following:

1. You owned the gasoline at the time of blending;
2. You paid the MVF tax on the gasoline;
3. The resulting blended fuel is taxable as a use fuel; and
4. A claim for refund was filed on or after January 1, 2011, with the California State Controller's Office (SCO).

Refunds of the MVF tax are handled by the SCO and must be submitted to the SCO on Form SCGR-1, *Gasoline Tax Refund Claim*, available for download at the SCO's website at www.sco.ca.gov/ardtax_gas_tax.html. For more information about the gas tax refund process administered by the SCO, you may contact them via email at gtr@sco.ca.gov, or telephone 1-916-322-9695.

Instead of filing a refund claim with SCO, a licensed motor vehicle fuel supplier may claim a credit on their [BOE 501-PS](#), *Supplier of Motor Vehicle Fuel Tax Return* for tax-paid MVF used to produce a blended fuel (for example, E85) that is taxed as a use fuel. A credit may only be claimed to the extent that the amount offsets reported taxable gallons on the return. Any unused credit must be filed with the SCO as a claim for refund.

For more information on the legislation creating the change to allow a refund of the MVF tax, go online to download [Senate Bill 1485](#) (Stats. 2012, Ch. 493).

Blending tax-paid biodiesel (B100) to produce a biodiesel product

If you are blending tax-paid biodiesel with petroleum diesel above the rack to produce blended biodiesel, a portion of your above-the-rack inventory will be tax paid. As a result, you may be entitled to a tax-paid-twice credit on your BOE 501-DD, *Supplier of Diesel Fuel Tax Return* for the tax-paid portion of a biodiesel rack disbursement if the following conditions are met:

- The disbursement is a taxable transaction reported on Schedule 5, Fuel Removed Subject to Tax;
- You report the disbursement as biodiesel product code 170 or B01-B99, not diesel product code 167;
- You claim the gallons of tax-paid biodiesel as tax-paid-twice on Schedule 13M, Tax-Paid Fuel Removed From a Terminal;
- You use product code 170 for the gallons claimed on Schedule 13M;
- Your sales invoice identifies the blended biodiesel; and
- For claims exceeding 5% of the biodiesel disbursement reported on Schedule 5, the terminal bill-of-lading reports the biodiesel percent, for example, B10, B20, B85.

Summary reporting is allowed on Schedule 13M, but you must summarize by terminal and can only claim a credit for the tax-paid product being resold in a taxable manner (Schedule 5). No credit is allowed for tax-paid product resold as a “dyed” diesel (or biodiesel) product, and no credit is allowed for tax-paid product disbursed in an exempt manner. Report the terminal TCN for the terminal you are summarizing in the origin TCN field.

The credit taken on Schedule 13M should only be for the amount of tax-paid biodiesel fuel that you are blending with your clear ex-tax diesel fuel reported on Schedule 5. For audit purposes, we will look to the bill-of-lading to verify the amount of tax-paid biodiesel that was marketed as part of the blended product.

Therefore, if you are invoicing the fuel as a B05 product, we would expect the biodiesel blend to be 5% or less of the finished product being reported as sold over the rack on Schedule 5.

Terminal operator reporting of biodiesel blending above the rack

We recommend terminal operators report as follows: TOR (Terminal Operator Report):

- Report the receipt of the “B100” on Schedule 15A (product code B00 or 284);
- Report the conversion of B100 and diesel to biodiesel (170 or B05) as a book adjustment of fuel products (refer to the [2012 Newsletter](#) for detailed instructions on reporting a product conversion); and
- Report the disbursement of biodiesel on Schedule 15B (170 or B00-B99).

Sublease of inventory position in a fuel terminal and/or a “flash title transfer”

The supplier is required to report terminal rack removals and remit any applicable California excise tax for all flash title transfers and all sub-lessee activities of the position holder. Flash title transfers are subject to the same reporting requirements as sub-lessees. The position holder is the supplier responsible for reporting terminal rack removals and remitting any applicable excise tax, not the transferee.

The imposition of tax and reporting requirement for events at a terminal are clearly defined in the [Diesel Fuel Tax Law](#). The supplier required to report terminal rack removals and remit any applicable excise tax is the position holder of the product. “Position holder” includes any person that holds the inventory position in the diesel fuel, as reflected on the records of the terminal operator. A person holds the inventory position in diesel fuel when that person has a contractual agreement with the terminal operator for the use of storage facilities.

Diesel fuel used to haul agricultural products

Diesel fuel used to haul agricultural products from the field to the buyers qualifies for the partial **sales tax** exemption but does not qualify for the **diesel fuel tax** exemption for fuel used by farmers for farming purposes. For diesel fuel tax exemption purposes, the

term, “used on a farm for farming purposes,” applies only to diesel fuel which is used (i) in carrying on a trade or business of farming, (ii) on a farm in California, and (iii) for farming purposes.

Certain sales and purchases of diesel fuel used in farming activities or food processing qualify for a partial exemption from sales or use tax. The sales tax rate increase on diesel fuel per [Revenue and Taxation Code section 6051.8](#) is included in the partial sales tax exemption. For further information, see [Regulation 1533.2, Diesel Fuel Used in Farming Activities or Food Processing](#), or our website at www.boe.ca.gov for the *Sales Tax Rates for Fuels*.

Interstate user rate will stay at 45.3 cents per gallon through June 30, 2014

Continue using the current interstate user rate of 45.3 cents (\$0.453) per gallon through June 30, 2014. Check our website in June 2014 for the new rate that will take effect on July 1, 2014.

[AB 2679](#) (Stats, 2012, Ch. 769) amended [section 60116](#) of the Diesel Fuel Tax Law to align the date the BOE sets the Interstate User Rate for diesel fuel with the July 1 date of the excise tax rate adjustment for diesel fuel; as required by the fuel tax swap.

Electronic Waste Recycling (eWaste) Fee

Sales of used covered electronic devices (CEDs)

The eWaste fee law requires a retailer to collect the eWaste fee on all retail sales of new and refurbished CEDs. You are not required to collect and pay to the BOE the eWaste fee on sales of used CEDs. For purposes of the eWaste fee, “refurbished” CEDs include devices that the manufacturer has tested and returned to a condition that meets factory specifications and have been repackaged and labeled as refurbished. For example, the BOE would not consider a computer monitor that you have had repaired to be a “refurbished” computer monitor subject to the eWaste fee.

eWaste fee and the sales and use tax

The eWaste fee is not subject to sales and use tax. The eWaste fee is not considered to be an excise tax and is owed by the retail purchaser, not the retailer.

The retailer is required to collect the eWaste fee from the retail purchaser at the time of sale of a Covered Electronic Device (CED), which is a video display device with a screen size greater than four inches (measured diagonally) that has been determined by the Department of Toxic Substances Control (DTSC) to be hazardous when discarded.

The DTSC has determined that the iPad, Kindle Fire, and similar tablet devices containing LCD screens fall under the CED “Laptop computers with liquid crystal displays (LCD)” category and are therefore subject to the eWaste fee. The DTSC has also determined that cell phones, including smartphones, are not CEDs and are therefore not subject to the eWaste fee.

CEDs include the following:

- Cathode ray tubes (CRT)
- Any other device that contains a CRT;
- Computer monitors that contain CRTs
- Laptop computers with liquid crystal displays (LCD)
- Desktop computer monitors that contain LCDs
- Televisions that contain CRTs
- Televisions that contain LCDs (excluding LCD projection televisions);
- Plasma televisions (excluding plasma projection televisions); and
- Portable DVD players with LCD screen.

Report a returned merchandise credit for CEDs

To obtain credit for returned CEDs on which your company charged customers the eWaste fee at the time of the original purchase of the CEDs, you would enter the number of CEDs for each appropriate screen size category (lines 13, 14, and 15) of the [BOE-501-ER Electronic Waste Recycling Fee Return](#) for CEDs returned on sales made on or after January 1, 2013.

To report returned CEDs that were originally sold between January 1, 2011, and December 31, 2012, go

to our website to download and complete Schedule A (BOE-501-A), *Fee Credit Adjustment Worksheet*. This form contains instructions for calculating this credit. Schedule A (BOE-501-A) was created to account for the change in the eWaste fee rates that became effective January 1, 2013. You should not use Schedule A if the original sale occurred on or after January 1, 2013.

Emergency Telephone Users Surcharge

Surcharge rate information

The Governor's Office of Emergency Services (OES) determines the annual rate of emergency telephone users surcharge. The OES has determined that the current surcharge rate of 0.50 percent (0.50%) will be increased to 0.75 percent (0.75%) in order for the fund to remain solvent. This rate increase takes effect January 1, 2014. For further information, see our Special Notice, *Emergency Telephone Users Surcharge Rate*.

Hazardous Substances Tax/Fees

Employee hours calculated for the environmental fee

To calculate "employee hours" for the environmental fee, use the hours employed.

The term "employed" includes the hours for which an employee is paid. Therefore, overtime, sick leave, vacation leave, along with regular hours actually worked would be included in the determination of whether the employee was employed by your company for more than 500 hours during the calendar year covered by the return.

The current and prior environmental fee rates may be found on our website at www.boe.ca.gov/sptaxprog/tax_rates_stfd.htm#10e.

For additional information regarding the environmental fee, including which businesses and organizations must register and file returns, refer to publication 90, *Environmental Fee*, which may be found on our website: www.boe.ca.gov/pdf/pub90.pdf.

Exempt businesses/organizations

- Private households (SIC code 88)
- Nonprofit residential care facilities (SIC code 8361 or NAICS codes 623312, 62322, and 62399)
- Insurance companies that pay tax on gross premiums in lieu of all other California taxes and licenses
- Banks that pay a tax on net income in lieu of all other California taxes and licenses
- U.S. Government agencies and instrumentalities
- Nonprofit credit unions, as defined in [Financial Code section 14002](#)

If your company does not fall under one of these business/organization types and your company had 50 or more employees that were each employed by your company for more than 500 hours during the calendar year covered by the return, your company is required to pay the environmental fee.

Generator fee refunds not available

The Department of Toxic Substances Control has determined that it does not have surplus funds within the meaning of Health and Safety (H&S) Code section 25205.9, subdivision (e). Therefore, funds are not available to pay the refunds specified in sections 25205.5, subdivisions (h) and (i), and 25205.9 of the (H&S) Code.

Insurance Tax

Medi-Cal managed care plans now subject to sales tax at 3.9375%

Beginning July 1, 2013 through June 30, 2016, sales tax is imposed on the sellers of Medi-Cal Managed Care Plans for selling Medi-Cal related health care services at retail in California. You will owe a sales tax of 3.9375 percent on the total amount received (gross receipts) in premium or capitation payments for the coverage or provisions of all health care services, including but not limited to Medi-Cal services. Sellers will be required to file and pay quarterly.

The Tax on Insurers Law also changed to retroactively restore the 2.35% gross premiums tax (GPT) on every Medi-Cal managed care plan in this state, from July 1, 2012 to July 1, 2013. For more information on the legislation requiring the changes, go online to download [Senate Bill \(SB\) 78](#) (Ch. 33, Stats 2013).

As defined in the Constitution, “insurer” does not expressly include a health care service plan, such as a Medi-Cal managed care plan. The Knox-Keene Health Care Service Plan Act covers these providers. Therefore, these plans are not exempted by the “in-lieu of” provision that currently exempts insurers from all state and local taxes and licenses other than the GPT.

According to the Department of Finance, 24 managed health care plan providers will be subject to the sales tax, and the state, rather than the beneficiaries, pays the premiums for these plans. These 24 providers, who had been remitting the GPT to the Department of Insurance, will no longer do so.

Sellers that are actively engaged in the retail sale of Medi-Cal health care services are required to register, and report and pay quarterly the tax to the BOE. For more information go online to www.boe.ca.gov/sutax/medical_managed_care.htm.

Underground Storage Tank Maintenance Fee

Underground storage tank maintenance fee rate decrease takes effect on January 1, 2014

Effective January 1, 2014, the underground storage tank (UST) maintenance fee for petroleum products placed into a UST will revert back to \$0.014 per gallon.

[Assembly Bill \(AB\) 1188](#) (Stats. 2009, Ch. 649) amended [Health and Safety Code Section 25299.43](#), temporarily increasing the underground storage tank maintenance fee by \$0.006 effective January 1, 2010. [AB 291](#) (Stats. 2011 ch. 569) extended the temporary rate increase through December 31, 2013.

Underground storage tank owners owe the fee

The underground storage tank (UST) maintenance fee is imposed upon the owner of a UST for each gallon of

petroleum placed into the UST. The owner of the UST is liable for payment of the fee. This is true even if the owner does not operate the UST. The owner is liable for the fee even if the owner and operator have entered into an agreement that requires the operator to pay the fee to us.

For further information, see publication 88, *Underground Storage Tank Maintenance Fee*, available on our website at www.boe.ca.gov/pdf/pub88.pdf.

If you have any questions regarding the underground storage tank maintenance fee, please contact our Customer Service Center at 1-800-400-7115 (TTY:711).

Regulation clarifies who is an “owner” for purposes of the fee

[Regulation 1205](#) clarifies who owns a UST for purposes of the UST fee. The regulation provides that, unless proven otherwise, the owner of the real property is presumed to be the owner of the USTs located on the property, even if the property is leased to another person. If you are the owner of the real property and need to establish that someone else is the owner of the UST, you must provide evidence to support your claim. Examples of evidence include:

- The lessee installed the USTs at the location and the lease agreement gives the lessee the right to remove the USTs at the termination of the lease, regardless of whether the lessor’s approval of the removal is required.
- The lessee installed the USTs at the location and the lease agreement states that any improvements installed by the lessee are the property of the lessee during the term of the lease.
- Documentation, such as a bill of sale, specifically shows the transfer of ownership of the USTs to a person other than the real property owner.
- The USTs are depreciated on the state or federal income tax returns of a person other than the real property owner.
- The USTs existed at the premises at the time the lease agreement was signed, and the lease agreement specifies that the USTs are owned and title is vested to the lessee during the term of the lease.

General Interest

New website with enhanced features and quick access to information

We used your suggestions and designed our new website for you—our taxpayers and fee payers. The website allows our customers to conveniently conduct business with us while creating a faster, more user-friendly online experience. Our new streamlined layout enables you to easily find information, connect with us through social media, and use our online services to access your accounts. Some of our enhanced features include:

- A convenient Log In button to access all our online services from the homepage.
- Better navigation and a task-oriented design that enables you to File a Return, Make a Payment, and conduct other business more quickly.
- Interactive banners that highlight important business tax news and updates.
- Easy to find information with Popular Topics, How Do I, and Business Center resources accessible from the homepage. Plus, your BOE bookmarks still work.

Your input has enabled us to create a faster, easier and more convenient online experience for you!

Credit card payments

Our new credit card payment system is up and running effective April 30, 2013. We have a new telephone number for credit card payments: 1-855-292-8931. Our new, enhanced system provides our taxpayers and fee payers with:

- A simpler and faster payment process,
- Additional payment options (e.g. Fire Fee and Lumber Assessment), and
- An exclusive phone number for BOE taxpayers and fee payers.

New mobile app available

BOE's new mobile app is free, fast, easy, safe, and convenient new way to do business! It allows you to easily make payments to your BOE tax and fee accounts using most mobile devices. It also allows you

to manage account details on iPhones, Androids, and other mobile devices. Users can log in with a User ID and password, or Express Login. Check out the BOE Mobile Services page at: <http://www.boe.ca.gov/mobile/> and download the app for *iPhone* or *Android mobile device* or run it on a mobile browser or *other mobile devices*.

Online payment plan

We understand you may have difficulty making tax or fee payments on time. The BOE is ready to work together with you to find the best available solutions to help you in your situation. You will soon have the ability to request a payment plan for past due amounts through the BOE website. Payments will be automatically withdrawn from your checking or savings account. You will have the ability to propose weekly, biweekly, or monthly payments. The projected implementation of this service is scheduled for December 2013.

Taxpayer refund rules eased

The BOE is pleased to announce that the Governor has signed BOE-sponsored legislation that will reduce the likelihood that taxpayers (fee payers) will miss the deadline for reimbursement of bank charges that result from a BOE erroneous levy, collection or processing error. The law becomes effective January 1, 2014.

[Senate Bill 442](#) is part of the BOE's ongoing commitment to improve our taxpayers' experience through better, more efficient customer service.

Current law only allows the BOE to issue reimbursement of these charges if the taxpayer requests them within 90 days of the BOE error that caused the taxpayer to incur bank charges. The new law will extend the time to file a reimbursement claim to 90 days after the charges were incurred. This extension provides taxpayers more opportunity to see the charges on their bank statements, and not miss the deadline to file a reimbursement claim.

Annual Taxpayers' Bill of Rights hearings to begin

Do you have suggestions for improving our services? Do you have an idea for changing a tax or fee procedure or policy? If you do, come share your ideas and concerns with our Board Members at the annual

Taxpayers' Bill of Rights hearings. You may present your proposal in person or in writing.

Although you are not required to make advance arrangements to speak, it will help us to prepare if you contact the Taxpayers' Rights Advocate Office at 1-888-324-2798 beforehand to let us know your topic. If your proposal is complex or extensive, we encourage you to submit it in advance and then summarize it in your oral presentation.

The dates and times for the 2014 business and property tax hearings, normally held in Sacramento and Culver City, were not yet set when this article went to press, but you may check our website or contact the Taxpayers' Rights Advocate for details.

For more details, please call the Advocate Office or visit them at www.boe.ca.gov, where you can also view the office's latest annual report.

Know your rights

As a taxpayer, you have many rights under the law, including the right to:

- Information and assistance to help you comply with the law;
- Fair and courteous treatment and prompt service;
- Confidentiality;
- Appeal a decision or claim a refund as allowed by law; and
- Address your elected Board Members.

Along with those rights, you have responsibilities to:

- Keep informed about tax laws and regulations that affect your business;
- Report and pay taxes and fees when due;
- Promptly respond to BOE attempts to contact you;
- Inform the BOE of changes to your business ownership or address; and
- Maintain adequate records.

For more information, see [publication 70](#), *Understanding Your Rights as a California Taxpayer*.

Civil behavior in trying times

Some observers have noted that civility is decreasing in our society as our lives become more complex. We know that you may find yourself frustrated with the

difficulties of the tax laws or pressed for time when dealing with our staff. Still, we ask that you treat our employees just as you would like to be treated in a business situation. Any threatening statement or gesture made to a BOE employee—even a statement made in jest—will be referred to our Internal Affairs Section for investigation.

Ethics at work —“Thank you” is enough

We would like to remind you that BOE policy prevents our employees from accepting gifts of any type. So if you are grateful to someone for going the extra mile to help you with a complicated issue, a simple “thank you” will do. You may also use our online Customer Service Survey form at [“How Are We Doing Survey - Property & Special Taxes Department”](#) to express yourself.

SPECIAL TAXES AND FEES

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NEWSLETTER

Need more information?

Special Taxes and Fees

State Board of Equalization, MIC:88
PO Box 942879
Sacramento, CA 94279-0088

Internet Mail

www.boe.ca.gov/info/email.html

Customer Service Center:

1-800-400-7115 (TTY:711)

Customer service representatives are available to help you
from 8:00 a.m. to 5:00 p.m., Pacific time,
Monday through Friday, except state holidays.

Tax Evasion Hotline

1-888-334-3300

Legislation

www.leginfo.ca.gov

Taxpayers' Rights Advocate

www.boe.ca.gov/tra/tra.htm

1-888-324-2798

Board Member contact and website

Visit our website www.boe.ca.gov for Board Member information, legislative summaries, regulations, forms and publications, translated publications, and more.

Check out Online Services

Find out how flexible online filing can be.

It is fast, secure and simple to use. It allows you to file your return early and, with electronic funds transfer, schedule your payment for the due date.

eFile Board of Equalization: www.boe.ca.gov/electsrv/eServices.htm