



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0092
1-916-324-2830 • FAX 1-916-322-4530
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

February 7, 2017

VIA INTERNET

Dear Interested Party:

The Compliance Policy and Procedures Manual (CPPM) and Audit Manual (AM) are guides for the Board of Equalization (BOE) staff in administering tax and fee programs. It is available to the public and can be accessed from the BOE web page at <http://www.boe.ca.gov/sutax/staxmanuals.htm>.

The Business Tax and Fee Department is proposing to revise CPPM section 703.030 and add AM section 1409.00 to incorporate current policies and procedures.

The revision material is provided on the following pages for the convenience of interested parties who may wish to submit comments or suggestions. Please feel free to publish this information on your website or otherwise distribute it to your association/members.

If you have any comments or suggestions related to the proposed revisions, you may contact the BOE at CPPM.RevisionSuggestions@boe.ca.gov. Your comments or suggestions must be received by BOE no later than **April 7, 2017**, in order to be considered by staff. Thank you for your consideration.

Sincerely,

Trista Gonzalez, Chief
Tax Policy Division
Business Tax and Fee Department

WHEN TO PROCEED ON BOE-ASSESSED LIABILITIES**703.030**

Tax/fee-payers are formally notified of a BOE-assessed liability with ~~Form a~~ BOE-1210, *Notice of Determination*. RTC section 6486 for Sales and Use Tax, and similar statutes for the ~~BOE's s~~ Special t Taxes and Fees programs, state that “the notice shall be placed in a sealed envelope, with postage paid, addressed to the ~~retailer or person storing, using, or consuming tangible personal property~~ tax/feepayer at his or her address as it appears in the records of the BOE.” Service of the notice is complete at the time the notice is deposited in the United States Post Office, or a mailbox, or other facility regularly maintained or provided by the United States Postal Service. If a notice is served ~~personally by delivering it to the in~~ person ~~to be served~~, service is complete at the time of delivery.

All BOE-administered tax and fee program determinations, except for jeopardy determinations, those made for the payment of cigarette tax stamps ~~and Jeopardy Determinations~~, and those made for guaranteed funding of the Prepaid MTS 911 Account, become final **30 days** after service of the Notice of Determination (NOD) upon the taxpayer. Under Cigarette and Tobacco Products Tax Law (RTC section 30174), a determination for failure to pay for cigarette tax stamps becomes final **10 days** after service of ~~a Notice of Determination~~ an NOD upon the distributor, unless the distributor files a timely petition for redetermination and posts a security deposit within the 10-day period. Jeopardy determinations have the same requirements. Under the Emergency Telephone Users Surcharge Law (RTC section 41033), a determination for guaranteed funding becomes final 60 days after service of an NOD, unless a timely petition for redetermination is filed. These 10, 30, and 60 day dates are collectively known as the “finality date.”

As in the case of self-assessed liabilities, a demand notice does not need to be issued prior to taking collection action. Passive collection efforts (e.g., contacting the tax/feepayer by phone, skip tracing, locating assets) may commence before the finality date has passed. Active collection action may be initiated immediately after ~~a determination becomes final~~ the finality date on an NOD has passed, and passive efforts have not ~~been successful in resolving~~ resolved the matter. A “finality” penalty, which is an additional penalty of 10 percent of the unpaid tax, is added to the liability if payment is made after the “finality” date stated on the ~~Notice of Determination~~ NOD, unless the tax/fee-payer files a timely petition for redetermination.

Retention of NOD Report

Printing Services will deliver one copy of the original NOD to the mailroom along with a daily NOD report, DIF 100 Determinations. The mailroom will verify by checking off each NOD listed in the report. Two verification staff and one supervisor from the mailroom will sign the report certifying the mailing of all NODs listed in the report. The signed reports will be scanned by date and saved in the Notice Certification folder on the Y drive where all staff has read-only access. Once the Print and Distribution Services staff has verified that the scanned copy of the report is readable, the paper version will be destroyed. Electronically stored versions of the report will be kept for 10 years.

Address Changes and Returned Mail

If an NOD is returned to BOE after mailing, and the NOD was issued to the address of record, the only basis for regarding service as invalid is if, prior to issuing the notice,

the tax/feepayer had notified the BOE either in writing, or in another manner documented in BOE records that the tax/feepayer's address was changed or would be changing and staff failed to update the address of record. Therefore, in cases where the tax/feepayer has, in fact, notified the BOE of a change of address, but staff failed to update the record and the NOD is received as returned mail, the determination should be cancelled and a new NOD issued to the correct address.

It is essential that staff timely update BOE records to reflect the address change information received from a tax/feepayer. When an NOD contains one or more periods for which the statute of limitations is close to expiring and the NOD is mailed to an invalid address, the statute for some periods could expire prior to the NOD being mailed to the tax/feepayer's correct address. This could result in the BOE being unable to include some periods on the NOD. For example, when an NOD is cancelled and rebilled, periods falling outside the statute of limitations (and not subject to a waiver signed by the tax/feepayer) must be eliminated.

Whenever staff becomes aware of a tax/feepayer's new address, they must notify the Field Operations Department (FOD) or Business Tax and Fee Department (BTFD) section responsible for the account so that the address can be updated in the registration records (TAR/SPR) **and** the Client Taxpayer System (CTS) in IRIS. Additionally, a comment should be entered regarding the source from which the information was obtained.

Although not required by statute, every effort should be made, using any resources available to BOE for locating people, to verify the address of the tax/feepayer prior to issuing the NOD. If staff has reason to believe that the tax/feepayer is at an address that has not been confirmed, the NOD should be issued to both the address of record and to the address where the BOE believes that tax/feepayer to be. Additional addresses may be entered into IRIS to generate multiple billings to the same tax/feepayer on the "DIF NN" screen.

FOD or BTFD section staff responsible for the account should ensure that all reports, including reaudits and adjusted Field Billing Orders, include verified, up-to-date addresses for all partners and corporate officers. Registration records should always be updated in IRIS prior to the transmission of such reports.

When an NOD for compliance assessments (CAS) is received as returned mail, the Audit Determination and Refund Section (ADRS) will check TAR and CTS records and comments entered in IRIS for any new addresses. The NOD will be forwarded to the new addresses if any are found. For returned mail that has a forwarding address, the NOD will be re-mailed to the new address. In most cases, this type of NOD will not have periods in danger of expiring due to their statute of limitations because, generally, the tax/feepayer has not filed a return for the period(s) covered by the CAS and the statute of limitations is eight years after the date the return was due (see RTC section 6487 and similar statutes for Special Taxes and Fees accounts). It can usually be rebilled without adjustment if it is later found that the BOE had prior notification of an address change. However, in cases where the statute of limitations for a period is near expiration, the expiring period may need to be eliminated and the NOD cancelled and rebilled.

For returned mail of an NOD for a CAS on an active account that does not have a forwarding address, ADRS will contact the compliance supervisor who approved the CAS in IRIS. They will ask the responsible FOD or BTFD section to research whether

there is an updated address, and if necessary, attempt to contact the tax/feepayer to obtain the correct mailing address. If staff is unable to contact the tax/feepayer and obtain the correct address, ADRS will send the NOD to file after entering a comment in IRIS.

For determinations less than \$1,000 on Sales and Use Tax accounts, Return Analysis Unit (RAU) staff will review TAR and CTS records and comments entered in IRIS, and if a new address is found, the NOD will be mailed to the new address. If a new address is not found, the NOD will be sent to the responsible field office or Headquarters section with a cover memo. The responsible office or section will research whether there is a new address, and, if necessary, attempt to contact the taxpayer to obtain the correct mailing address. If a new address is found, the responsible office or section will forward the NOD to the taxpayer and change the address in IRIS. If a new address is not found, the NOD will be returned to RAU for filing into the taxpayer's file. Efforts to contact the taxpayer should be documented by entering comments in IRIS.

For determinations greater than \$1,000, RAU staff will check both the taxpayer's file and IRIS TAR and CTS screens for a new address. If a new address is not found, the responsible field office or Headquarters section will be requested to investigate for a change of address. If the investigation by either RAU or the responsible office or section reveals an address change that the BOE received prior to mailing the NOD and the address was not updated in IRIS, the determination will be cancelled, rebilled with the new address, and mailed to the taxpayer at the new address. If the investigation discloses an address change that was received after the NOD issue date, the original billing will be re-mailed to the taxpayer at the new address and the new address should be entered into IRIS along with appropriate comments.

For Special Taxes and Fees accounts, the Registration and Licensing Section staff or Motor Carrier staff is responsible for the functions noted in the previous paragraphs as ADRS or RAU functions.

Petition for Redetermination

For ~~s~~Sales and ~~u~~Use ~~t~~Tax determinations and most ~~s~~Special ~~t~~Taxes and Fees determinations, a person against whom a determination is made, or any person directly interested, may file a petition for redetermination within 30 days ~~after~~from the date of service of an ~~NOD-Notice of Determination~~. (~~S~~see Publication 17, Appeals Procedures). The filing of a petition must be in writing and state the specific reasons why the tax/fee-payer believes the amount determined to be due is incorrect. ~~Receipt of the BOE receives~~ a timely petition for redetermination, begins the liability enters the appeals process and does not become final, due, and payable. ~~the appeal process and, as provided by RTC section 6561, prevents the deficiency determination, as provided by RTC sections 6481 or 6511, from becoming final within the initial 30-day period.~~

When a tax/fee-payer files a timely petition for redetermination, the original ~~Notice of Determination~~NOD is superseded by a Notice of Redetermination at the conclusion of the ~~A~~appeal process. Only passive collection efforts should be taken until the Notice of Redetermination becomes final. ~~The general policy is that no a~~Active collection actions ~~should~~may not be taken on non-final determinations. ~~not yet final since approximately three-fourths~~ However, many of these determinations are paid before any action becomes necessary. ~~Except as noted in the following paragraphs, active~~

~~collection action, e.g., mailing levies, filing liens, serving a Notice to Withhold, etc., may not be taken until after the finality date of a determination.~~

Administrative Protest

A petition for redetermination (petition) must be filed within 30 days following the date the NOD is mailed. A petition is invalid if it is filed prior to the issuance of an NOD or more than 30 days following the date the NOD was mailed. The department that issued the NOD may accept the invalid petition into the appeals process as an administrative protest pursuant to the Rules of Tax Appeals section 5220. Exceptions to the 30 days to file a timely petition are: jeopardy determinations, which become final in 10 days, determinations made for the payment of cigarette tax stamps become final in 10 days, and determinations for guaranteed funding of the Prepaid MTS 911 become final in 60 days.

An invalid petition may be treated as an administrative protest when the Deputy Director of the department that issued the NOD, or his or her designee, determines that there is a reasonable basis to believe that there may be an error with the tax/feepayer's NOD. The section assigned to review the appeal is responsible for notifying the tax/feepayer when an appeal is accepted as a timely petition, is accepted as an administrative protest, or is not accepted into the appeals process because it was not filed timely (i.e., either before (premature) or after the time period as explained above).

The Department generally accepts an invalid petition as an administrative protest when the tax/feepayer:

- Has a known representative (power of attorney) on file and a copy of the NOD was not mailed to the representative;
- Has another pending case with similar areas of contention that is already in the appeals process;
- Received multiple NODs for different periods on the same account and a timely petition was previously filed for the first period billed;
- Is a corporate officer who received a dual determination and a timely petition was previously filed for the corporation; or
- Can document that he/she was unavailable to reply during the petition period (e.g., out of town, hospitalized, incarcerated) and files an appeal as soon as he/she is able to do so (within 30 days of becoming available) with documentation supporting the reason for the delay.

The Petitions Section or Appeals and Data Analysis Branch (ADAB) must notify the tax/feepayer who files a premature appeal that his/her correspondence cannot be accepted as a timely petition since it was received before the date the NOD was mailed and that he or she should resubmit the petition once the NOD is mailed. Petitions Section or ADAB staff will also attempt to phone the tax/feepayer to advise them to refile their petition within the timeframe required to be accepted as a timely appeal. The Petitions Section or ADAB will also send a copy of the letter to the office that originated the determination so that if they are in contact with the taxpayer, they can also remind them to file a timely appeal. A comment should be entered into IRIS under the TAR/SPR screen noting the receipt of the premature appeal.

If the tax/feepayer that filed a premature appeal then files a late petition, but files within a reasonable period of time, the Department should accept the late appeal as

an administrative protest. While reasonable time is meant to be flexible to accommodate the tax/feepayer's circumstances, it typically does not exceed 30 days.

When the tax/feepayer submits new documentation or information that supports the amounts listed on the NOD are overstated, the field office or BOE section that issued the NOD being appealed should carefully consider the new information and, if warranted, make the appropriate adjustments to the final liability. Adjustments can be made without an active appeal.

The Department generally **will not** accept an invalid petition as an administrative protest when the tax/feepayer:

- Cannot document that he/she was unavailable to reply during the petition period (e.g., out of town, hospitalized, incarcerated) or can document that he/she was unavailable to reply during the petition period but nevertheless there is a significant delay in filing an appeal once the tax/feepayer is able to do so. A significant delay is typically more than 30 days after becoming available;
- Claims he/she did not receive the NOD, however the NOD was mailed to the address of record and the BOE has not received any returned mail; or
- Claims they were not aware of his/her tax or fee obligation.

The tax/feepayer may request the section assigned to review the petition to reconsider an invalid petition previously not accepted as an administrative protest. If upon reconsideration, the section continues to believe the appeal should not be accepted as an administrative protest, the tax/feepayer's reconsideration request will be submitted to the Deputy Director, Business Tax and Fee Department, for final review and decision. When an invalid petition is not accepted as an administrative protest, the tax/feepayer may file a claim for refund after paying the liability.

The treatment of an invalid petition for redetermination as an administrative protest does not stop the accrual of interest, and generally will not stay collection action with regard to a final liability unless the liability period(s) has been placed into sundry withhold status. If the Petitions Section or ADAB acknowledges a late petition as an administrative protest, the liability period(s) will be identified as "PRO ADM Administrative Protest" on the Maintain/Inquire Case Header (MH) screen within the Appeals (APL) subsystem in IRIS.

If the liability is not placed into sundry withhold status, staff may pursue collection activities to obtain payment of the liability. However, staff should use judgment on a case-by-case basis in determining whether it is appropriate to pursue collection activities. Therefore, it is important that staff:

- Research the status of the liability and the administrative protest to determine whether a sundry withhold will be set. This may require obtaining information from the Petitions Section, ADAB, or the Legal Department regarding the current status of the administrative protest and documentation requested or received from the tax/feepayer.
- Discuss the collection approach with a supervisor.
- Contact the tax/feepayer to discuss payment options and remind the tax/feepayer that interest continues to accrue.
- Encourage the tax/feepayer to make voluntary payment(s) against any agreed upon amount.

- Consider that use of the auto-payment feature is acceptable since no collection stay exists, but that it may require special handling to ensure payments do not exceed the agreed upon amount.
- Send BOE-450, *Administrative Protest - Claim for Refund Letter*, to advise the tax/feepayer to submit a Claim for Refund for voluntary payment made on an administrative protest. Effective January 1, 2017, a single claim will cover all subsequent payments of tax/fee, interest, or penalty on the same determination. For involuntary payments, staff should contact the tax/feepayer and advise them of their right to claim a refund within 3 years of the involuntary payment.
- Complete the petition/administrative protest summary in ACMS.

An administrative protest will generally be reviewed in the same manner as a timely petition for redetermination; however, tax/feepayers do not have an unconditional right to an appeals conference and/or Board Hearing although the Rules for Tax Appeals provide that an appeals conference and/or Board Hearing should be liberally granted. Therefore, tax/feepayers should be advised the appeals process does take time and in the interim, it is in their best interest to continue with voluntary compliance.

When compliance staff is assigned a liability as a collection case, and the tax/feepayer indicates he/she has filed an administrative protest, the collector should verify whether the tax/feepayer's petition was accepted as an administrative protest in the APL MH screen in IRIS. The collector must also send the tax/feepayer a BOE-450 to inform the tax/feepayer to file a claim for refund for payments made on an administrative protest. Staff must emphasize that although their petition was accepted as an administrative protest, it does not constitute the filing of a valid claim for refund. If BOE publication 17, *Appeals Procedures: Sales and Use Taxes and Special Taxes*, has not been previously provided, it should be included with the BOE-450 sent by the collector.

Stop Demand Policy on Claim for Refund When Tax/Fee is Paid

In cases where all of the tax/fee is paid and a claim for refund has been filed, accounts with billed, final amounts are placed in an appeal status and the IRIS DIF DI Stop Demand field is populated by the Audit Determination and Refund Section (ADRS) or the Appeals and Data Analysis Branch (ADAB). This action prevents demand billings from being issued and removes the account from ACMS. No action to collect the remaining interest and penalty is to be taken until the ~~account stop demand flag~~ is removed. ~~from Stop Demand status. If the claim for refund is denied, the stop demand flag will not be removed for at least 90 days pending verification that a suit for refund of tax has not been filed by the taxpayer.~~

When a tax/feepayer files a claim for refund after remitting payment of the tax/fee, ADRS or ADAB will determine if the claim is valid and enter the refund information in the Maintain/Inquire Case Header (MH) subsystem within the Appeals subsystem (APL) in IRIS. While this screen is used to maintain the refund case, it will not automatically flag a protested difference in IRIS. Therefore, ADRS or ADAB must place the stop demand flag on the protested difference in the DIF DI screen in IRIS.

Compliance staff should work closely with ADRS or ADAB to ensure tax/feepayers that may have a valid claim for refund for a protested difference had a stop demand

flag placed on the difference period in IRIS. If a levy is served against a tax/feepayer and the tax/feepayer subsequently informs the collector that they filed a claim for refund for that liability, compliance staff should review the APL MH screen in IRIS to confirm the claim for refund was received. If the refund claim has been received by ADRS or ADAB but there is no stop demand flag linked to the disputed difference, staff should contact ADRS or ADAB to resolve the status of the case and determine if a stop demand flag should be entered. If a stop demand flag is entered subsequent to issuing a levy, the levy should be released.

The account will remain in appeal status for at least 180 days after notification to the tax/feepayer that the claim for refund has been denied. ADRS or ADAB will make certain the appeal process for the case has concluded and promptly remove the flag if no lawsuit for refund is filed by the tax/feepayer. Once the 180 days has lapsed and the claim for refund case has closed, the stop demand flag is removed and

~~Following the removal of the stop demand flag from the account, w~~When the new period representing the denied claim for refund enters ACMS, the collector must first contact the tax/fee-payer and ask for voluntary payment of the penalty and interest. If the tax/fee-payer fails to comply, or if the collector's attempts to contact the tax/fee payer are unsuccessful, summary collection action to collect the penalty and interest should resume, unless the collector has information which indicates the tax/fee-payer has requested relief of penalty and/or interest. If the tax/fee-payer or their attorney of record indicates that a suit for refund has been filed and provides proof of the filing, or if the BOE receives notice of a suit for refund, the collector must suspend collection of the affected liability. Any legal documents received pertaining to the suit must be forwarded to Special Operations Branch (SOB) for review in accordance with CPPM section 722.080.

SOB will enter a comment on the account in IRIS and in ACMS (if the account is active in ACMS) regarding the filing of the suit and verify if a stop demand in IRIS is in place on the remaining penalty and interest. If a stop demand is not in place, SOB will promptly place a stop demand on the affected liability. No action to collect the penalty and interest will be taken during the duration of the legal proceedings. Upon resolution of the court case, the Litigation Division will notify SOB regarding the outcome of the case. If the BOE prevails in the lawsuit and the tax/fee-payer's legal remedies are exhausted, SOB will remove the stop demand flag from the unpaid liability and enter a comment in IRIS and in ACMS (if the account is active in ACMS) regarding the outcome of the court case. Collection of the liability will resume if the tax/fee-payer's suit is unsuccessful and the liability remains unpaid.

Jeopardy Determinations

In the majority of cases, collection efforts before a determination becomes final are restricted to passive activities. However, when a jeopardy determination is issued, the statutes governing the BOE's collection program allow active collection action to be taken, on the ~~tax-portion-only-~~determined liability before the finality date. Therefore, use of active collection action, prior to the finality date of a determination, is limited to cases where immediate action is necessary to protect the interest of the state, i.e., where a determination has been converted to a jeopardy determination or a jeopardy determination has been issued. Note: For jeopardy determinations, if the ~~principal~~ tax/fee is not paid within ten days of the billing date, the ~~delinquency-~~finality penalty

CPPM Chapter 7, Collections

and interest attach to the tax/fee amount ~~determined~~that remain unpaid after the finality date (ten days)~~has expired~~.

A person against whom a jeopardy determination is made ~~may~~has a right to file a petition for redetermination within 10 days if they post adequate security as required by the BOE. (See CPPM 445.000). The person against whom a jeopardy determination is made may request an administrative hearing within 30 days to:

1. Establish that the determination is excessive,
2. Establish that the sale of property that may be seized after issuance of the jeopardy determination or any part thereof ~~shall~~should be delayed pending the outcome of the administrative hearing because the sale would result in irreparable injury to the person,
3. Request release of all or a part of property to the person, or
4. Request a stay of collection activities.

ADMINISTRATIVE PROTESTS

1409.00

A petition for redetermination (petition) must be filed within 30 days following the date a Notice of Determination (NOD) is mailed. A petition is invalid if it is filed prior to the issuance of an NOD or more than 30 days following the date the NOD was mailed, often referred to as the “finality date.” The department that issued the NOD may accept an invalid petition into the appeals process as an administrative protest pursuant to the Rules of Tax Appeals section 5220. Exceptions to the 30 days to file a timely petition are: jeopardy determinations, which become final in 10 days, determinations made for the payment of cigarette tax stamps become final in 10 days, and determinations for guaranteed funding of the Prepaid MTS 911 become final in 60 days.

An invalid petition may be treated as an administrative protest when the Deputy Director of the department that issued the NOD, or his or her designee, determines that there is a reasonable basis to believe that there may be an error with the tax/feepayer’s NOD. The section assigned to review the appeal is responsible for notifying the tax/feepayer when an appeal is accepted as a timely petition or as an administrative protest, or is not accepted into the appeals process because it was not filed timely (i.e., either before (premature) or after the time period as explained in the first paragraph).

The Department generally accepts an invalid petition as an administrative protest when the tax/feepayer:

- Has a known representative (power of attorney) on file and a copy of the NOD was not mailed to the representative;
- Has another pending case with similar areas of contention that is already in the appeals process;
- Received multiple NODs for different periods on the same account and a timely petition was previously filed for the first period billed;
- Is a corporate officer who received a dual determination and a timely petition was previously filed for the corporation; or
- Can document that he/she was unavailable to reply during the petition period (e.g., out of town, hospitalized, incarcerated) and files an appeal as soon as he/she is able to do so (within 30 days of becoming available) with documentation supporting the reason for the delay.

The Petitions Section or Appeals and Data Analysis Branch (ADAB) must notify the tax/feepayer who files a premature appeal that his/her correspondence cannot be accepted as a timely petition since it was received before the NOD was mailed and that he or she should resubmit the petition once the NOD is mailed. Petitions Section or ADAB staff will also attempt to phone the tax/feepayer to advise them to refile their petition within the timeframe required to be accepted as a timely appeal. Petitions or ADAB will also send a copy of the letter to the office that originated the determination so that if they are in contact with the taxpayer, they can also remind them to file a timely appeal. A comment should be entered into IRIS under the TAR screen noting the receipt of the premature appeal.

If the tax/feepayer that filed a premature appeal then files a late petition, but files within a reasonable period of time, the Department should accept the late appeal as an administrative protest. While reasonable time is meant to be flexible to accommodate the tax/feepayer’s circumstances, it typically does not exceed 30 days.

When the tax/feepayer submits new documentation or information that supports the amounts listed on the NOD are overstated, the field office or BOE section that issued the NOD being appealed should carefully consider the new information and, if warranted, make the appropriate adjustments to the final liability. Adjustments can be made without an active appeal.

The Department generally **will not** accept a premature or late petition as an administrative protest when the tax/feepayer:

- Cannot document that he/she was unavailable to reply during the petition period (e.g., out of town, hospitalized, incarcerated) or *can* document that he/she was unavailable to reply during the petition period but nevertheless there is a significant delay in filing an appeal once the tax/feepayer is able to do so. A significant delay is typically more than 30 days after becoming available;
- Claims he/she did not receive the NOD; however the NOD was mailed to the address of record and the BOE has not received any returned mail; or
- Claims they were not aware of his/her tax or fee obligation.

The tax/feepayer may request the section assigned to review the petition to reconsider an invalid petition previously not accepted as an administrative protest. If upon reconsideration, the section continues to believe the appeal should not be accepted as an administrative protest, the tax/feepayer's reconsideration request will be submitted to the Deputy Director, Business Tax and Fee Department, for final review and decision. When an invalid petition is not accepted as an administrative protest, the tax/feepayer may file a claim for refund after paying the liability.