



STATE BOARD OF EQUALIZATION
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Fourth District, Los Angeles
JOHN CHIANG
State Controller
CYNTHIA BRIDGES
Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
NOTICE AND AGENDA
Meeting Agenda (as of 7/16/2014, 2:50 PM)

Agenda Changes

Webcast on Thursday, July 17, 2014

Thursday, July 17, 2014

10:00 a.m. Board Meeting Convenes*

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair may modify the order of the items on the agenda.

Special Presentation

- Presentation of Retirement Resolution..... Mr. Horton
Liz Houser, Administration Department

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. Quiller Barnes and Patricia Barnes, 717969 +
For Appellants: Quiller Barnes, Taxpayer
Endy Ukoha-Ajike, Representative
For Franchise Tax Board: David Muradyan, Tax Counsel
Fred Campbell-Craven, Tax Counsel

~~B2. James Emmitt, 717136 +
For Appellant: James Emmitt, Taxpayer
For Franchise Tax Board: Christopher Haskins, Tax Counsel
Roman Johnston, Tax Counsel~~

~~B3. Rudolph Buriani and Norma Jean Buriani, 668146 +
For Appellants: Rudolph Buriani, Taxpayer
For Franchise Tax Board: Elizabeth Rodoni, Tax Counsel
Mary Yee, Tax Counsel~~

- C9. [Rigoberto Lopez Nunez, 559883 \(DF\) +](#)
 For Petitioner: Rigoberto Lopez, Taxpayer
 For Department: Scott Lambert, Hearing Representative
- C10. [Jialing Wang, 436517, 546372 \(JH\) +](#)
 For Petitioner/Taxpayer: Jialing Wang, Taxpayer
 For Department: Scott Lambert, Hearing Representative
- C11. [Chaoyun Li and Laxiu Tian, 436192, 546378 \(JH\) +](#)
 For Petitioners: Chaoyun Li, Taxpayer
 For Department: Scott Lambert, Hearing Representative
- ~~C12. Capital City Restaurants, Inc., 522640 (KH) +
 For Petitioner: Mike Alizadeh, Taxpayer
 _____ Paul Warner, Attorney
 For Department: Scott Lambert, Hearing Representative~~

D. Special Taxes Appeals Hearings

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

- D1. [Daniel Frank Allen, 546385, 547969 \(STF\) +](#)
 For Petitioner/Claimant: Daniel Allen, Taxpayer
 Nanci Allen, Representative
 For Department: Erin Dendorfer, Tax Counsel
- ~~D2a. Sandy Seybert, 598180 (STF) +
 D2b. Sandy Seybert, 598183 (STF) +
 For Petitioners: Alfredo Sotelo, Representative
 For Department: Pamela Mash, Tax Counsel~~

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

F. Public Hearing

- F1. [Proposed Adoption of Sales and Use Tax Regulation 1525.4,
 Manufacturing and Research & Development Equipment + Mr. Kwee](#)

The regulation implements Revenue and Taxation Code section 6377.1's partial exemption for the sale and use of equipment used primarily in manufacturing and research and development.

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. Ronald Avedisian, 434518 (AC)
 2. Behnard & Associate, Inc., 588418 (AP)
 3. Capital Cookery, Inc., 536609 (KH)
 4. Partnership of Bridget Riley Hicks and Fred Hicks, 558251 (UT)

5. Rory O'Brien, 625197 (UT)
 6. Rogelio Ortiz, 489267 (KH)
 7. Davood Rahnama, 562888, 579013 (DF)
 8. RDB Enterprises, Inc., 603902 (KH)
 9. T.B.A. Enterprises, Inc., 532453 (AR)
 10. Harry K. Vernon, 562640 (UT)
 - Hearing Notice Sent – Appearance Waived
 - ~~11. Kiwi Stair, Inc., 602125 (KH)~~
 - Petition for Release of Seized Property
 12. Marizzelly De Jesus Aburto, 782694 (STF)
 13. Moon Joo Kim, 782688 (STF)
 14. In & Out Food Mart, Inc., 785012 (STF)
 15. Mian, Inc., 784989 (STF)
 - Petitions for Rehearing
 16. Magnum Breeze II, Inc., 538790 (EH)
- G2. Franchise and Income Tax Matters Mr. Thompson
- Hearing Notice Sent – No Response
 1. Kristina L. Burke, 762690
 2. Daniel F. Dong, 734198
 3. Connie M. Quijada, 728755
 - 4a. James V. Robertson, 731567
 - 4b. Erik L. Hayes, 731576
 - 4c. Jintau E. Two, 731578
 - 4d. Benjamin F. Killen, 731591
 - 4e. Eldo M. Klingenberg, Jr., 731595
 - 4f. Carol Grant, 731600
 - 4g. Richard T. Grant, Jr., 731604
 - 4h. David C. Williams, 732520
 - 4i. Dan Pickell, 730124
 - 4j. John B. Holloway, 726945
 - 4k. Champion Wiseman, 727532
 - 4l. Marianne Pretscher-Johnson, 738918
 - 4m. Steven Ertelt, 738690
 - 4n. Rodney Walker, 727664
 5. April Williams, 722869
 - Hearing Notice Sent – Appearance Waived
 6. Ross Peck and Lois Peck, 681037
 - Decisions
 7. Joyce Bandele, 732680
 8. Bay Area Gun Vault, LLC, 631038
 9. Commerce Avenue, LLC, 663753
 10. Alberto A. Delpino, 576143
 11. Randeep S. Dhillon and Kamalpreet Sidhu, 594206
 12. John Thomas Gaiser, 605297
 13. Bahram K. Ganjineh, 592007
 14. Steven Garff and April Garff, 711211
 15. Robert R. Jimenez, 600984
 16. Kevin Jones, 712951
 17. Roosevelt Madison and Paula Madison, 593006
 18. Chiyoung Min, 636183

- 19. Sean M. Panter, 693108
- 20. Lynn Rivell, 602165
- 21. Elizabeth A. Stelzner, 661825
- 22. John K. Tollison and Kimberly Tollison, 596464
- 23. Harold L. Votey, Jr., 654986
- 24. Daniel F. Wald, 626421
- Petitions for Rehearing
 - 25. Troy Jolliff, 638354
 - 26. Ezzelino Pozzato, 604862

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

- G4. Sales and Use Taxes Matters.....Mr. McGuire
 - Relief of Penalty/Interest
 - 1. Coach, Inc., 804812 (OH)
 - Grant-One Day Interest Relief
 - 2. Abel Chevrolet Pontiac Buick, Co., 804844 (JH)
 - 3. S.B. Restaurant, Co., 804816 (EA)
 - 4. Jeffrey Sean Samuels, 804843 (SO)
 - 5. SABA Holding Company, 804842 (OH)

- G5. Sales and Use Taxes Matters – Credits, Cancellations,
and RefundsMr. McGuire
 - Credits and Cancellations
 - 1. Aero Union Corporation, 803775 (KH)
 - 2. Gilead Sciences, Inc., 807484 (BH)
 - Refunds
 - 3. LBS Financial Credit Union, 785719 (EA)
 - 4. Harris Corporation, 740001 (OH)
 - 5. Halo Motor Company, 668920 (FH)
 - 6. Trimble Navigation, LTD, 782218 (GH)
 - 7. NWA Fuel Services Corporation, 610540 (OH)
 - 8. Inyo Crude, Inc., 594166 (DF)
 - 9. Ameron International Corporation, 803394 (EH)
 - 10. Mountain Counties Supply, Co., 800674 (KH)
 - 11. Database Marketing Group, Inc., 799972 (EA)
 - 12. E-One, Inc., 758246 (OH)
 - 13. Samsung Telecomm America, LLC, 782231 (OH)
 - 14. Avis Rent A Car System, LLC, 803392 (OH)
 - 15. Rockwell Collins, Inc., 802791 (OH)
 - 16. Fastcredit Financial, Inc., 636336 (AS)
 - 17. Wells Fargo Auto Finance, LLC, 605537 (CH)
 - 18. TSI Semiconductors America, LLC, 758243 (KH)
 - 19. Carfinance Capital, LLC, 783418 (EA)

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
- Cases Heard Not Decided
 1. ~~WCN, Inc., 491680 (AS) +~~
 2. [Mark J. Weidhaas and Richard A. Weiner, 577043 \(UT\) +](#)
 - Petitions for Rehearing
 3. [Akop Jack Chichyan, Vicken Djeredjian, and Mnatsakan Mike Grigoryan, 388129 \(STF\) +](#)
- H2. Franchise and Income Tax Matters Mr. Thompson
- Hearing Notice Sent – No Response
 1. Sean Brunske, 597425
 - Decisions
 2. Charles P. Franklin, 417829
 - Section 40 (AB 2323) Matter
 3. [Camino Medical Group, Inc., 719011+](#)

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(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. Accettura Bros., Inc.
 2. Khachik Chris Chibilyan
 3. Inmar West Company, Inc.
 4. Cory Anthony Iturribarria
 5. Yong Heui Lee
 6. Rocio Ramos
- I3. Local Tax Reallocation Matters
There are no items for this matter.

Chief Counsel Matters

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

J. Rulemaking

Section 100 Changes

- J1. [Sales and Use Tax Regulation 1684, Collection of Use Tax by Retailers +](#) Mr. Heller

Staff request for authorization to complete Section 100 changes to identify the operative dates of Revenue and Taxation Code section 6203, and of the 2012 amendments to Regulation 1684, as re-enacted by Statutes 2011, chapter 313.

There are no items for the following matters:

- 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 +

- LaVern Harvey
- Liz Houser
- Steven C. Kamlin
- Judy M. Knight
- Mike Lorenz

N2. Adoption of Property Tax Form +

- BOE-571-W *2015 Wind Generation Property Statement*
This is a new property statement that was developed to gather data from this emerging industry after consultation with assessors and industry.

- 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 Ms. Bridges
 - 1. [Report on time extension to Napa County to complete and submit 2014/15 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155. +](#)

- ~~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 to 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.

There are no items for the following matters:

- P2. Chief Counsel Report
- P3. Sales and Use Tax Deputy Director's Report
- P4. Property and Special Taxes Deputy Director's Report..... Mr. Gau
 - 1. 2014/15 Private Railroad Car Tax Rate 'CF' + Mr. Fitz
 Report on the computation of the tax rate applicable to the 2014/15 Private Railroad Car Tax Assessment.
 - 2. Adoption of the 2014 Private Railroad Car Roll 'CF' Mr. Gau
 Staff recommendation for the lien date 2014 assessment of private railroad cars under the provisions of the Private Railroad Car Tax Law.
 - 3. Adoption of the 2014 State-Assessed Property Roll 'CF' Mr. Gau
 Staff recommendation on the allocations of the unitary values adopted by the Board in May 2014, plus adjustments based on prior Board action and staff-recommended nonunitary values.
 - ~~4. Assessment Practices Survey Program Presentation of Modernization Reforms Mr. Gau~~
~~Changes to the Assessment Practices Survey Program to streamline the survey process and report and to increase transparency.~~
- ~~P5. Administration Deputy Director's Report Ms. Murphy~~
 - ~~1. Facilities Update~~
~~A general update on the 450 N Street building 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. Pending litigation: *Greyhound Lines, Inc. v. California State Bd. of Equalization, and Does 1 through 25 inclusive*, Superior Court of the State of California, County of Sacramento, Case No. 07CS00054 (Gov. Code § 11126(e)).
- Q3. Discussion and action on personnel matters (Gov. Code, § 11126(a)).

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

Adjourn

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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.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.