



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

CYNTHIA BRIDGES
Executive Director

STATE BOARD OF EQUALIZATION MEETING
5901 Green Valley Circle, Room 207, Culver City
June 23-25, 2015
NOTICE AND AGENDA
Meeting Agenda (as of 6/23/2015, 4:30 PM)

[Agenda Changes](#)

[Webcast on Tuesday, June 23, 2015](#)

Tuesday, June 23, 2015

9:30 a.m. Pledge of Allegiance

Board Committee Meetings Convene*

Board Meeting convenes upon Adjournment of the Board Committee Meetings**

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Board Committee Meetings*

~~Legislative Committee.....Ms. Ma, Committee Chairwoman~~

~~**I. 2015 Legislative Bill**~~

~~**Recommendations for Board Position**~~

~~AB 567—Property Tax: Change in Ownership Statement: Confidential Information (Gipson)~~

~~SB 526—Personal Income Tax: Relief from Liability: Divorce Decree (Fuller and Runner)~~

Customer Service and Administrative

Efficiency Committee.....Mr. Runner, Committee Chairman

1. Out-of-State District Offices

Discussion of a proposal to clarify the Board Members' relationship to the Out-of-State district offices.

Board Meeting****Special Presentations**

Employee Recognition Award Ceremony 2014-2015 Ms. Herrera

The Board will honor BOE Employee Recognition Award recipients participating in the Southern California Ceremony.

- 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.)

~~B1a. Karchmer, Inc., 815455 +~~

~~B1b. Caplan LLC, 815457 +~~

~~For Appellants: Paula Caplan, Taxpayer~~

~~For Franchise Tax Board: Andy Amara, Tax Counsel~~

~~Fred Campbell-Craven, Tax Counsel~~

B2. Noreen B. Schneider Rucinski and Fred Rucinski, 789657 +

For Appellants: Noreen Rucinski, Taxpayer

For Franchise Tax Board: Brian Werking, Tax Counsel

Marguerite Mosnier, Tax Counsel

B3. Robert Carpio and Virginia Carpio, 793495+

For Appellants: Robert Carpio, Taxpayer

Ernest H. Mattison, Jr., Representative

For Franchise Tax Board: Diane Ewing, Tax Counsel

Marguerite Mosnier, Tax Counsel

B4. Michael I. Cohen, 795873 +

For Appellant: Michael Cohen, Taxpayer

Wilton Robinson, Representative

For Franchise Tax Board: Joel Smith, Tax Counsel

Marguerite Mosnier, Tax Counsel

B5. Gary Mellinger and Christa Mellinger, 811123 +

For Appellants: Philip G. Panitz, Attorney

Barbara E. Lubin, Attorney

For Franchise Tax Board: Judy Hirano, Tax Counsel

Ciro Immordino, Tax Counsel

~~B6. Maurice Rosaler and Charlotte Rosaler, 788388 +~~

~~For Appellants: Waived Appearance~~

~~For Franchise Tax Board: Marguerite Mosnier, Tax Counsel~~

~~Diane Ewing, Tax Counsel~~

~~B7. Gregory Wimmer, 842007 +
 For Appellant: Gregory J. Wimmer, Taxpayer
 Alexandra Eaker Perez, Representative
 Richard Carpenter, Attorney
 For Franchise Tax Board: Joel Smith, Tax Counsel
 Diane Ewing, Tax Counsel~~

C. Sales and Use Tax Appeals Hearings

These items are scheduled for Wednesday and Thursday, June 24 and 25, 2015.

D. Special Taxes Appeals Hearings

These items are scheduled for Thursday, June 25, 2015.

E. Property Tax Appeals Hearings

There are no items for this matter.

F. Public Hearings

F1. [Business Taxpayers' Bill of Rights Hearings](#).....Mr. Gilman

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board's administration of its tax programs, including sales and use taxes, environmental fees, fuel taxes, and excise taxes, and any problems identified in the Taxpayers' Rights Advocate's [Annual Report +](#).

F2. [Property Taxpayers' Bill of Rights Hearings](#).....Mr. Gilman

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board's administration of its tax programs, including state and county property taxes, and any problems identified in the Taxpayers' Rights Advocate's [Annual Report +](#).

F3. [Timber Harvest Values and Modified Harvest Values +](#).....Mr. Kinnee

On or before June 30, 2015, the Board shall estimate the immediate harvest values of and adopt schedules for each species or sub-classification of timber harvested between July 1 and December 31, 2015. Additionally, the Board may modify immediate harvest values to reflect material changes in timber values that result from fire or other catastrophic cause for any area or part thereof in which damaged timber is located. Revenue and Taxation Code section 38204.

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. ~~AA Rancho, Inc., 569479 (FH)~~
 2. Action Air Express, Inc., 352204 (UT)
 3. ~~April Enterprises, Inc., 624773, 860001 (EA)~~
 4. ~~Bharwani Corp., 740667 (DF)~~
 5. ~~California Restaurant Authority, Inc., 485060 (AS)~~
 6. Roger N. Davis, 521660 (UT)
 7. Nver Grigoryan, 624246 (AC)
 8. ~~Haja, LLC, 674641 (AS)~~
 9. Michael Paul Hodges, 586100, 795415 (AC)
 10. Los Campeones Mexican Food, Inc., 733828 (EH)
 11. NativeBuy, Inc., 526782 (EH)
 12. Progressive Lighting & Energy Solutions, 602544 (EA)
 13. Soheila Zahrabi Siadate, 732887 (EA)
 14. Marquis T. Smith, 567620 (FH)
 15. Soccer Stores, Inc., 690837 (AC)
 16. ~~Skyline Exhibits West, Inc., 609694 (AR)~~
 17. True Floors, Inc., 574143 (AC)
 - 18a. Brandon C. Young, 557830 (FH)
 - 18b. Kimberly Young, 557831 (FH)
- Hearing Notice Sent – Appearance Waived
 19. Megha Foods, Inc., 599623 (EH)
 20. Heena Foods, Inc., 599617 (EH)
- Petition for Release of Seized Property
 21. Rasmi Naser Zeidan, 865498 (STF)

G2. Franchise and Income Tax Matters Mr. Thompson

- Decisions
 1. Benjamin Alsasua and Anna Alsasua, 736835
 2. ~~C&L Pacific Real Estate, Inc., 815463~~
 3. Edward G. Carvalho, 793937
 4. Marvin R. Christensen and Rosemarie F. Christensen, 567680
 5. Kenneth D. Clark, 746791
 6. Brian Garcia, 807755
 7. Juan C. Salvador Guevara, 792058
 8. Dee Ann Hood, 812846
 9. Tamara Kathleen Leivas (Rogers), 793967
 10. Doran G. Machin and Susan M. Machin, 796210
 11. Lina Nihiser, 764246
 12. Peak Aero Group, Inc., 837855
 13. John J. Petersen, 759741
 14. Anoop K. Shah, 740009
 15. Daniel J. Treptow, 797514
 16. Edwin Yee and Sandra L. Yee, 735445

- Petitions for Rehearing
 17. Stephen Dove, 775223
 18. Mary Anne Gilles, 732200
 19. Rene Surban, 623948

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

- G4. Sales and Use Taxes Matters.....Mr. McGuire
 - Redeterminations
 1. Home Depot U.S.A., Inc., 840953 (OH)
 2. Jeremiah John Cullinane, 739443 (BH)
 3. Packageone, Inc., 721977 (KH)
 - Relief of Penalty/Interest
 4. AT&T Datacomm, Inc., 866432 (OH)
 - Denials of Claims for Refund
 5. William G. Morschauser, 854446 (AP)
 6. Matheson Tri-Gas, Inc., 715941 (OH)

- G5. Sales and Use Taxes Matters – Credits, Cancellations, and RefundsMr. McGuire
 - Credits and Cancellations
 1. Keith Mark Christian, 561671 (FH)
 2. Eco Building Systems, Inc., 861600 (FH)
 - Refunds
 3. Chevron U.S.A., Inc., 860281 (CH)
 4. GE Medical Sys. Info. Tech., Inc., 592491 (OH)
 5. Schmid Systems, Inc., USA, 860054 (GH)
 6. Bakercorp, 742380 (EA)
 7. Matheson Tri-Gas, Inc., 715941 (OH)
 8. Quest Diagnostics Clinical Labs, 813163 (OH)
 9. A-L Financial Corp., 860464 (EA)
 10. Waldorf Astoria Management, LLC, 721758 (EH)

- G6. Special Taxes Matters Ms. Bartolo
 - Redeterminations
 1. RK Company, Inc., 525133 (STF)
 2. Haycock Petroleum Company, 575827 (STF) 'CF'

There are no items for the following 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
 ➤ Petitions for Rehearing
 1. Andrew Steven Roganson, 538417, 737457 (AC) +
- H2. Franchise and Income Tax Matters Mr. Thompson
 ➤ Section 40 (AB 2323) Matters
 1a. Rago Development Corporation, 735761 +
 1b. Fredrick M. Wooster and Mary L. Wooster, 727483 +
 1c. Paul H. Verriere and Patricia R. Verriere, 727493 +
 1d. Michael J. Smith and Lynn M. Smith, 725834 +
 1e. Louis Rago and June E. Rago, 725839 +
 1f. Martin Bramante and Estate of Velia Bramante, 632713 +
 1g. Frank Sabella, 633944 +
 1h. Louis La Torre Living Family Trust, Louis La Torre Trustee, 633028 +
 2. Peter St. Geme and Polly Plumer St. Geme, 693089 +

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 Mr. McGuire
 ➤ Refunds
 1. Northrop Grumman Space & Mission Systems Corp., 594630 (AS)

There are no items for the following matters.

- H6. Special Taxes Matters
 H7. Special Taxes Matters – Credits, Cancellations, and Refunds
 H8. Property Tax Matters
 H9. Cigarette License Fee Matters
 H10. Legal Appeals Property Tax Matters

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

- I1. Property Taxes Matters
 There are no items for this matter.
- I2. Offer in Compromise Recommendations Mr. Anderson
 1a. Guillermina Ahumada
 1b. Latino-Meat Market, Inc.
 2. Jeanne Sue Barton
 3. Muhammad Saeed Bhumbra
 4. Richard Pierce Campbell

- 5a. Jian Zhong Deng
 - 5b. GND Enterprises, Inc.
 - 6. Jeffrey David Gallagher
 - 7a. William Greenberg
 - 7b. The New Green's Furniture, Inc.
 - 8a. Jacob Auto Sales, Inc.
 - 8b. Ramin J. Beth-Jacob
 - 9a. Cherylynn Ann Johnson
 - 9b. Jeffrey Alan Johnson
 - 9c. Urban Board Shop, Inc.
 - 10. James Allen Miller
 - 11a. Laurent Aimable Quenioux
 - 11b. LQ Foods, Inc.
 - 12a. Ronald James Routhier
 - 12b. Cynthia Ann Routhier
 - 12c. Trendz, Inc.
 - 13a. Jeffrey I. Schwimmer
 - 13b. Evelyn Schwimmer
 - 14. George Abraham Vazhappally
- I3. Local Tax Reallocation 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. Retirement Resolution +

- Maria Delgado

N2. Approval of Board Meeting Minutes

- [May 27-28, 2015 +](#)

~~**N3. Proposed Revisions to Audit Manual (AM), Chapter 4, General Audit Procedures +**~~

O. Adoption of Board Committee Reports and Approval of Committee Actions

~~O1. Legislative Committee~~

O2. Customer Service and Administrative Efficiency Committee

P. Other Administrative Matters

P1. Executive Director’s Report Ms. Bridges

- 1. Report on time extensions to Amador, Colusa, Humboldt, Inyo, Lassen, Los Angeles, Mendocino, Modoc, Nevada, Placer, and Santa Cruz counties to complete and submit 2015/16 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155. +

- 2. CROS Project Update and ActionsMr. 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

P5. Administration Deputy Director’s ReportMs. Murphy

- 1. Report on discussions with SEIU regarding in-house security services. +

There are no items for the following matters:

P6. Technology Deputy Director’s Report

P7. External Affairs Deputy Director’s Report

Announcement of Closed Session Ms. Richmond

Q. Closed Session

Q1. Discussion and approval of staff recommendations regarding settlement cases (Rev. & Tax. Code, §§ 6901, 7093.5, 30459.1, 50156.11).

Q2. Discussion and action on personnel matters (Gov. Code, § 11126(a)).

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

Recess - The meeting will reconvene on Wednesday, June 24, 2015, at 9:30 a.m.

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Joann Richmond, Chief
Board Proceedings Division

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



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5901 Green Valley Circle, Room 207, Culver City
June 23-25, 2015
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Meeting Agenda (as of 6/23/2015, 4:30 PM)

[Agenda Changes](#)

[Webcast on Wednesday, June 24, 2015](#)

Wednesday, June 24, 2015

9:30 a.m. Board Meeting Reconvenes**

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C. Sales and Use Tax Appeals Hearings

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

C1. [PCS Wireless, Inc., 572015 \(EA\) +](#)

For Petitioner: Andrew B. Mai, Taxpayer
Hai V. Dang, Representative
For Department: Scott Lambert, Hearing Representative

~~C2. [Eric Christopher Dutra, 607843, 746362 \(FH\) +](#)~~

~~For Petitioner: Eric Dutra, Taxpayer
For Department: Nonita DeLaCruz, Hearing Representative~~

~~C3. [G3 Mastering Solutions, Inc., 549262 \(AA\) +](#)~~

~~For Petitioner: Hong Ye, Representative
For Department: Andrew Kwee, Tax Counsel~~

C4. [G & C Equipment Corporation, 373826 \(AS\) +](#)

For Petitioner: Gene Hale, Taxpayer
Marty Dakessian, Attorney
Mike Shaikh, Attorney
For Department: Scott Lambert, Hearing Representative

Recess - The meeting will reconvene on Thursday, June 25, 2015, at 9:30 a.m.

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Thursday, June 25, 2015

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C. Sales and Use Tax Appeals Hearings

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

~~C5. Terberg Tucker, Inc., 738568 (AA) +
For Petitioner: John Terberg, Taxpayer
For Department: Nenita DeLaCruz, Hearing Representative~~

**C6. John Paul Richard, Inc., 613971 (AC) +
For Petitioner/Claimant: Marc Brandeis, Representative
Greg Reynolds, Representative
For Department: Scott Claremon, Tax Counsel**

~~C7. Maria Guadalupe Ramos, 611491 (AP) +
For Petitioner: Maria Guadalupe Ramos, Taxpayer
Marcela Enders, Representative
Samuel Trujillo, Representative
For Department: Nenita DeLaCruz, Hearing Representative~~

D. Special Taxes Appeals Hearings

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

**D1. Truck Insurance Exchange, 240627 (STF) 'CF' +
For Claimant: Heather Freelin, Representative
Richard G. De La Mora, Attorney
For Department: Andrew Kwee, Tax Counsel
For Dept. of Insurance: David Okumura, Representative
Tomoko Stock, Representative
Shirley C. Villalon, Representative**

~~D2. H. M. Holloway, Inc., 552594 (STF) +
For Claimant: James J. Braze, Attorney
For Department: Pamela Mash, Tax Counsel
For Dept. of Resources
Recycling & Recovery: Elliott Block, Chief Counsel~~

Adjourn

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