



STATE BOARD OF EQUALIZATION

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STATE BOARD OF EQUALIZATION MEETING
Teleconference
May 29, 2020
NOTICE AND AGENDA
Meeting Agenda (as of 5/28/2020, 2:00 PM)

Friday, May 29, 2020, 10:00 a.m.

The BOE is actively monitoring the continuing developments surrounding the threat of the COVID-19 virus. We are guided by the following goals: (1) to protect the health of the public and our employees; (2) to help slow the spread of the virus in California and the nation; (3) to ensure the continuity of the work of the agency; and (4) to ensure all measures taken are in line with guidelines from the U.S. Centers for Disease Control and Prevention and the California Department of Public Health, and the Governor's Emergency Declarations.

In line with guidelines issued by the Department of Public Health, the Board is taking proactive measures to enable Board Members and the public to safely continue the work of the agency at public meetings while minimizing face-to-face interactions. During this time, BOE will be utilizing teleconference interaction tools for its meetings, consistent with the Governor's Executive Order N-29-20 (issued March 17, 2020; see [Full Text Here](#)).

In accordance with this guidance, this Board Meeting will occur remotely, with no physical Board Meeting location. Board Members will attend telephonically. The public will be able to call in to hear the meeting telephonically or listen to the live audio webcast.

If you would like to listen by teleconference, dial 844-291-5494, and when prompted, enter the conference access number: 1845067#.

Recommendation: If possible, dial into the teleconference on a cell phone to minimize connectivity issues and background noise.

If you would like to submit a public comment on an agenda item, please visit our [additional information](#) webpage to fill out a public comment submission, listing your name, identifying the agenda item you would like to comment on, and a summary of your comment. Based on these submissions, we will identify public commenters to speak during the meeting or have staff read the comment submissions into the record. Please email indhubala.srinivasan@boe.ca.gov if you have any questions about this process.

The BOE strongly encourages virtual participation from any interested party. Additional information and updates related to this meeting will be provided on www.boe.ca.gov/meetings/info-052920.htm as they become available.

10:00 a.m. Pledge of Allegiance**Board Meeting Convenes***

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair may modify the order of the items on the agenda. Agenda changes will be listed on the last page of this document when applicable. This meeting will be [webcast live](#).

There are no items for the following:

- A. Special Taxes Appeals Hearings
- B. Property Tax Appeals Hearings
- C. Public Hearings
- D. Tax Program Nonappearance Matters – Consent
- E. Tax Program Nonappearance Matters – Adjudicatory
- F. Other Tax Program Nonappearance Matters

Chief Counsel Matters

There are no items for the following matters:

- G. Rulemaking
- H. Property and Special Taxes
- I. Other Chief Counsel Matters

Administrative Session

There are no items for the following matters:

- J. Administrative Consent Agenda
- K. Other Administrative Matters

- L. Board Member Requested Matters
There are no items for these matters.

M. Public Policy Hearings

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

1. [Impact of COVID-19 on Property Tax Administration – Working Group Report](#) + Mr. Vazquez

Further discussion on Working Group Reports and follow up items from the May 13th Board Meeting and/or Working Group meetings. Possible additional actions on the potential impact of COVID-19 on property assessment deadlines, specifically matters identified at the April 21, 2020 Board Meeting, concerning the impact of the COVID-19 "Shelter-in-Place" Executive Orders on property tax administration, so that the Board may take steps to maintain the fair and efficient administration

of their Constitutional and statutory mandates related to property assessment.

Public comment will be taken by the Members on each Working Group topic after the invited speakers have completed their remarks.

a. Working Group 1. 571 Property Statement May 7 Filing Deadline Relief

Discussion and possible action pertaining to providing taxpayers who have been detrimentally impacted by COVID-19 relief related to the 571 property statement filing due on May 7.

Issue as defined by Working Group: Should the Form 571 Property Statement May 7 filing deadline be extended due to the COVID-19 impacts?

Speaker: Mr. Vazquez

[Presentation of Issue Paper on the extent of BOE authority under Section 155 to extend filing deadlines +](#) Mr. Vazquez

Options for Consideration:

Option 1. Implement the Governor’s May 5 Executive Order N-16-20 extending the May 7 filing deadline until May 31 through an LTA. ([LTA 2020/024 issued on May 7th +](#))

Option 2. Issue an LTA providing guidance for future time extensions due to COVID-19 under RTC Section 155. (BOE has issued a CAO 2020/009 on March 16, 2020 addressing this issue)

Option 3. Do nothing; maintain status quo.

b. Working Group 2. Assessment Appeals Relief: RTC 1604(c) for AABs 2-Year Statute of Limitations Deadline to Hear Appeals; and RTC 1603 & 1605 for Taxpayers 60-Day Deadline to File an Appeal on Notice of Supplemental or Escape Assessment

(1) Discussion and possible action to extend the 2-year statute of limitations deadline for Assessment Appeals Boards (AABs) to hear taxpayer appeals (RTC 1604) due to their inability to hold hearings during the shelter in place orders resulting from COVID-19.

Issue(s) as defined by Working Group: Should the 2-year deadline for AABs to hear/determine appeals be extended?

Speakers:

Presentation of the California Association of Clerks & Elected Officials (CACEO) Proposed Executive Order...John McKibben
 Overview of Assembly Bill 3373Mr. Gaines

Options for Consideration:

Option 1. Issue an LTA extending the 2-year deadline for AABs by 40 days under Section 155. (BOE has issued a CAO 2020/009 on March 16, 2020 addressing this issue)

Option 2. Issue an LTA encouraging AABs to request taxpayers to submit waivers due to COVID-19 with a time certain beyond 40 days for a hearing.

Option 3. Request an Executive Order for AABs to selectively postpone taxpayer appeals beyond 2 years.

Option 4. Do nothing; maintain status quo.

- (2) Discussion and possible action to extend the 60-day deadline for AABs to accept appeals on supplemental or escape assessments due to taxpayers' inability to retrieve mail at the address used during the shelter in place orders resulting from COVID-19.

Issue(s) as defined by Working Group: Should the 60-day deadline for taxpayers to appeal supplemental and escape assessments be extended?

Options for Consideration:

Option 1. Issue an LTA extending 60-day deadline for AABs to accept appeals by 40 days per Section 155.

Option 2. Issue an LTA encouraging AABs to notify taxpayers unable to file in 60 days that they may file late with an affidavit declaring the notice of assessment was not timely filed.

Option 3. Issue an LTA encouraging AABs to allow a "safe harbor" period (e.g., February 1, 2020–July 1, 2020) per Rule 305(d)(4) for taxpayers to late file appeals and provide an affidavit for them to attach.

Option 4. Do nothing; maintain the status quo.

- c. Working Group 3. Section 170 Disaster Relief for COVID-19 Calamity

Discussion and possible action on the meaning of RTC 170 relative to COVID-19 restricted access to property and reduced value.

Speakers:

Overview of prior Attorney General OpinionMr. Nanjo
 Overview of Senate Bill 1431Mr. Gaines
 Business Input and Data.....Cindy Gompper-Graves,
 President & CEO, South County Economic
 Development Council (San Diego County)

Issue(s) as defined by Working Group:

- (1) What constitutes “Property Physically Damaged or Destroyed” as outlined in the California Constitution Article XIII, Section 15, implemented in the Revenue and Taxation Code Section 170, Disaster Relief, in which the Legislature defined damage to include a diminution in value “as a result of restricted access to property”? (emphasis added)
- (2) Can/should the Legislature amend RTC 170 to allow for mid-year disaster reassessment resulting from COVID-19 restricted cases?

Options for Consideration:

Option 1. Issue a Letter to Assessors encouraging acceptance of claims for mid-year declines in value due to COVID-19 pandemic; if denied, taxpayers may go to court.

Option 2. Propose/support legislation to amend RTC 170 to further define economic/physical damage, and/or seek an Executive Order from the Governor.

Option 3. Issue a Letter to Assessors providing guidance on the Board’s current interpretation of Section 170 relief.

Option 4. Do nothing; maintain status quo.

- d. Working Group 4. Proposition 8 – Decline In Value Relief for January 1, 2020

Discussion and possible action on whether COVID-19 triggered decline in value relief under Proposition 8.

Issue as defined by Working Group: Is any immediate relief for a decline in property value under Proposition 8 from COVID-19 available in 2020?

Options for Consideration:

Option 1. Propose/support legislation to change the lien date from January 1, 2020 to a later date in this year only.

Option 2. Propose/support amendments to RTC 402.5 and Rule 324(a) to allow Assessors/AABs to consider

comparable sales occurring up to 90 days after January 1, 2020 lien date for this year only.

Option 3. Issue an LTA in coordination with Assessors, taxpayers and AABs to develop 2020/21 uniform capitalization rates/rate of return for valuing business properties impacted by COVID-19.

Option 4. Issue an LTA providing guidance on proactive processing of declines in value and suggestions for discovering reduced market values.

Option 5. Do nothing; maintain the status quo.

e. Working Group 5. Waiver of Wet Signature Requirement of 571 and Other Forms

Discussion and possible action on whether the BOE should authorize Assessors to accept electronic signatures during the shelter in place orders resulting from the COVID-19 pandemic.

Issue as defined by Working Group: Should the Board issue guidance encouraging Assessors to accept 571 and other forms without wet signatures?

Options for Consideration:

Option 1. Issue an LTA providing guidance on authenticating electronically filed 571's for quick approval under 441(k) – to identify for Assessors acceptable methods under the current emergency environment and expedite approval of modified authentication methods they propose. (BOE issues LTA 2020/022 dated May 4, 2020, issuing guidance on accepting electronic signatures.)

Option 2. Issue an LTA or Emergency Rule intended to ease authentication criteria for electronic submissions during this time, provided that the desirable ratio of risk-to-benefit is consistent with state law and Executive Orders.

Option 3. Sponsor/propose legislation establishing emergency authentication standards for the production/transmission of electronic scans of signed documents.

Option 4. Issue a request to the BOE Executive Director to immediately develop a plan that identifies ways to expand the approval of eSignature programs across the state.

Option 5. Do nothing; maintain the status quo.

N. Public Comment on Matters Not on the Agenda

Persons who wish to address the Board of Equalization regarding items not on the agenda may do so under this item on the agenda. Please note that the Board cannot take action on items not on the agenda. However, the Board can schedule issues raised by the public for consideration at future meetings.

O. Closed Session

There are no items for these matters.

Adjourn

General information regarding Board Meetings can be found at www.boe.ca.gov/meetings/boardcomm.htm. If you would like specific information regarding items on this Notice and Agenda, please telephone (916) 322-2270 or email: MeetingInfo@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

If you wish to receive this Notice and Agenda electronically, you can subscribe at www.boe.ca.gov/agenda.

If you wish to listen to and/or view a live broadcast of the Board meeting, please go to www.boe.ca.gov and click on [Watch Meetings Live](#) in the Board Meetings Section.

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

Henry D. Nanjo
Chief Counsel /
Acting Chief, Board Proceedings

- * Public comment on any agenda item, other than a Closed Session item, will be accepted at that meeting.
- + Material is available for this item.
- ++ Material will be available at a later date.



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Agenda Changes

The following will list each change to the agenda, if any, including the date of change, item number, item name and description of change.

05/26/20 | Teleconference Dial-in Information | Added

05/26/20 | M1. | Impact of COVID-19 on Property Tax Administration – Working Group Report | Material Added

05/28/20 | M1a. | Presentation of Issue Paper on the extent of BOE authority under Section 155 to extend filing deadlines | Material Added