

From: Hear TRA Form
To: Meeting Info; BOE Taxpayers" Rights Advocate Office
Subject: [External] Taxpayers" Bill of Rights Hearing Appearance Electronic Form
Date: Thursday, August 24, 2023 4:18:38 PM

Taxpayer would like to speak at the hearing:

Type of Tax: Property Tax, Alcoholic Beverage Tax

Speaker's Name: Chaunchy F. McKearn

Title (if applicable): LLC Managing Member

Company (if applicable): Santa Monica Mountains Farmstead, LLC

Mailing Address: 1706 Marian Ave.

City: Thousand Oaks

State: CA

Zip Code: 91360

E-Mail Address: [REDACTED]

Account Number (if applicable):

Taxpayer's Name (if not speaker): McKearn Chaunchy

Organization: Santa Monica Mountains Farmstead, LLC

Telephone Number: [REDACTED]

Description of Issues:

1. Alcohol Taxes: The Federal Government TTB charges taxes by proof gallons, but CA charges taxes on the entire beverage by wine gallons. So if we make a drink that is 10% alcohol and 90% water, CA taxes the whole drink including the water. It would be best if alcoholic excise taxes were abolished all together and just tax the drinks with sales tax at the end buyer. If that can't be done, at least use proof gallons to match what the TTB does.
2. CA business taxes are exorbitantly high. We run a craft brewery and probably have to maintain 20 different permits. They all cost a lot of money for which we get almost zero benefit and many of the CA taxes including the CA business income taxes are based on Gross Sales rather than Net Sales. So even if we don't make a penny in profit, as has been the case during much of COVID, we still have to pay taxes on approximately \$500,000 in gross sales.
3. CA property taxes are outrageously high. I worked all my life to buy a 47' sailboat and have to pay approximately \$8,000 property taxes for it every year. But, I don't get any more benefit out of the marinas, or waterways than a sail boat that cost only \$300 or even the people who just come for the day and put their small boats in the water. There's no logic to charging by the value of the boat or other property when everyone is getting the same benefit, or no benefit at all. This same argument is true for property taxes in general. All of us homeowners are paying

through the nose to support public schools, roads, infrastructure, and many other projects mandated by the counties and states. But individuals who don't own homes or other property, including the illegal aliens are getting the same benefit from the schools, roads, hospitals, etc. Where is the fairness in that?

4. Automobile registration fees are exorbitant. I have a 2017 Ford F250 pickup truck and it cost me about \$735 to register it this year in CA. I have a West Point classmate that lives in Georgia with exactly the same truck. It cost him \$38 to register his truck and when he went to the GA DMV and said he wanted to register his truck they told him to have a seat. Before he could get to his seat, they called him to the counter for service and said their goal is to serve at least 94% of their customers before they sit down. You can spend a half a day at the CA DMV before getting to the counter, assuming the DMV is even open that day, and the folks there don't seem to give a damn about serving you. We need an attitude check at the DMV and the entire CA Government. They've forgotten who they work for.

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