



BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
JOHN T. AND HEIDI J. LITTLE)

Appearances:

For Appellants: John T. Little,
in pro. per.

For Respondent: James C. Stewart
Counsel

O P I N I O N

This appeal is made pursuant to section 18593 of the Revenue and Taxation Code from the action of the Franchise Tax Board on the protest of John T. and Heidi J. Little against a proposed assessment of additional personal income tax in the amount of \$593.58 for the year 1978.

Appeal of John T. and Heidi J. Little

During 1978, appellant John T. Little was employed as an aircraft pilot by Standard Oil of California. During that year, he took flight training courses which cost him **\$11,379.00**. Appellant received nontaxable reimbursement of **\$10,241.10** (90% of those flight training costs) from the Veterans Administration (VA). On their joint personal income tax return for 1978, appellants deducted **\$11,379.00**, the full amount of the flight training costs, as an educational expense. Respondent issued a proposed assessment which **disallowed** the deduction to the extent appellants' costs were reimbursed by **the VA**.

The questions **presented in** this matter were previously considered in the Appeal of Donald M. and Leslie G. Burrows., decided on-December 7, 1982. In Burrows, **we concluded that** only the **portion** of the flight training expenses in excess of the amount reimbursed by the VA was deductible **under** the provisions of section 17285 of the Revenue and Taxation Code. Since we believe that matter to be determinative of this appeal, **we** incorporate the Burrows opinion by reference. Respondent's action is sustained.

Appeal of John T. and Heidi J. Little

O R D E R

Pursuant to the views expressed in the opinion of the board on file in this proceeding, and good cause appearing, **therefor**,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, pursuant to section 18595 of the Revenue and Taxation Code, that the action of the Franchise Tax Board on the protest of John T. and Heidi J. Little against a proposed assessment of additional personal income tax in the amount of \$593.58 for the year 1978, be and **the** same is hereby sustained.

Done at Sacramento, California, this 1st day of March , 1983, by the State Board of Equalization, with Board **Members** Mr. Dronenburg, Mr. Collis, Mr. Nevins and Mr. Harvey present.

_____, Chairman
Ernest J. Dronenburg, Jr. , Member
Conway H. Collis , Member
Richard Nevins , Member
Walter Harvey* , Member

*For Kenneth Cory, per Government Code Section 7.9