



**BOARD OF EQUALIZATION  
LEGISLATIVE COMMITTEE MEETING AGENDA  
HONORABLE JUDY CHU, CHAIRWOMAN  
450 N STREET, SACRAMENTO, ROOM 121  
JULY 17, 2007, 9:30 AM**

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-----Minutes-----

**I. 2007 LEGISLATIVE PROPOSALS**

Set forth below are suggestions for Sales and Use Taxes legislation to be sponsored by the Board in the first year of the 2007-2008 Legislative Session (see attachments). Any additional suggestions will be included on the agenda for August 2007.

**Suggestion  
Number**

**3-13**

**Amend Section 7093.6 of the Sales and Use Tax Law to allow the Board to compromise certain final tax liabilities of 1) businesses that are not discontinued or transferred if the final tax liability arises from transactions in which the taxpayer did not receive sales tax or use tax reimbursement, 2) persons liable for successor liability, and 3) consumers incurring a use tax liability. To the extent they are applicable, similar provisions would be incorporated into the Board-administered special taxes and fees programs.**

**Source: Honorable Bill Leonard**

**Revenue Impact: \$2 million annual revenue gain.**

**Committee Recommendation: Adopt with amendments to:**

- 1) Specify that the Members of the Board of Equalization shall not influence negotiations with respect to any offer in compromise,
- 2) Require those taxpayers that receive a compromise under the proposal to enter into a collateral agreement that may allow the Board to reestablish the liability or any portion thereof if the taxpayer has sufficient annual income during the succeeding five-year period, and
- 3) Specify that any taxpayer that has received a compromise under the proposal shall file and pay by the due date all subsequently required returns for a five-year period from the date the liability is compromised, and enables the Board to reestablish the liability if a taxpayer fails to comply. **(5-0)**

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**Suggestion  
Number**

[3-14](#)

**Amend Section 6829 of the Sales and Use Tax Law to incorporate a three-year statute of limitations from the date the Board learns that an entity has terminated for issuing a deficiency determination against corporate officers and other responsible persons.**

**Source: Taxpayers' Rights Advocate**

**Revenue Impact: The ability to collect revenues deteriorates the longer unpaid amounts remain outstanding. To the extent this proposal results in the Board issuing deficiency determinations against responsible persons sooner, we could expect enhanced collections of those unpaid amounts.**

**Committee Recommendation: Adopt (5-0)**

## II. LEGISLATIVE BILLS

### A. Recommendation for Board Position:

<u>Bill No</u>	<u>Author</u>	<u>Date</u>	<u>Subject</u>	<u>Status</u>	<u>Committee Recommendation</u>
1. <a href="#">SB 111</a> <a href="#">SCA 4</a>	Ashburn & Migden	04/17/07	Property Tax: Seismic Retrofitting	Assembly Appropriations	Support (5-0) Consent
2. <a href="#">SB 559</a>	Kehoe	06/27/07	Property Tax: Change in Ownership Exclusion: Registered Domestic Partners	Assembly Appropriations	Support (3-2)
3. <a href="#">AB 83</a>	Lieber	03/22/07	Property Tax: State- County Property Assessment and Revenue for Education Funding Program (PARE)	Senate Appropriations	Support (5-0) Consent
4. <a href="#">AB 402</a>	Ma	07/03/07	Property Tax: Change in Ownership -- Foster Children: Residential Co-op Reporting	Senate Appropriations	Support (5-0)

### B. For Discussion Only:

1. <a href="#">SB 1024</a>	Kehoe	05/03/07	Emergency Telephone User Surcharge: Clean up	Senate Revenue and Taxation – suspense
2. <a href="#">AB 231</a>	Eng	04/30/07	Emergency Telephone User Surcharge: Basis	Senate Appropriations

Committee Recommendation: Bring back bills for Board position when amended in their final form.

BOARD OF EQUALIZATION  
 BOARD COMMITTEE ON LEGISLATION  
 July 17, 2007

Attending: Honorable Judy Chu, Chair - Honorable Betty T. Yee, Honorable Bill Leonard, Honorable Michelle Steel,  
 and Marcy Jo Mandel

**BUSINESS TAXES – Sales and Use Tax**

<u>Suggestion No</u>	<u>Chu</u>	<u>Yee</u>	<u>Leonard</u>	<u>Steel</u>	<u>Chiang/ Mandel</u>	<u>Committee Recom.</u>
3-13	ADOPT	ADOPT	ADOPT	ADOPT	ADOPT	ADOPT, AS AMENDED (5-0)
3-14	ADOPT	ADOPT	ADOPT	ADOPT	ADOPT	ADOPT (5-0)

July 17, 2007

<u>Bill No.</u>	<u>Chu</u>	<u>Yee</u>	<u>Leonard</u>	<u>Steel</u>	<u>Chiang/ Mandel</u>	<u>Committee Recom.</u>
<b>SB 111 SCA 4</b>	CONSENT					SUPPORT (5-0)
<b>SB 559</b>	YES	YES	NO	NO	YES	SUPPORT (3-2)
<b>AB 83</b>	CONSENT					SUPPORT (5-0)
<b>AB 402</b>	YES	YES	YES	YES	YES	SUPPORT (5-0)
<b>For Discussion Only</b>						
<b>SB 1024 AB 231</b>	Bring back bills for Board position when amended in their final form.					

Approved: /S/ Judy Chu  
Ms. Judy Chu, Chair  
Board Legislative Committee

/S/ Ramon J. Hirsig  
Ramon J. Hirsig, Executive Director

BOARD APPROVED

at the July 17, 2007 Board Meeting

/S/ Gary Evans  
Gary Evans, Acting Chief  
Board Proceedings Division

July 17, 2007