



BOARD OF EQUALIZATION

**CUSTOMER SERVICES AND ADMINISTRATIVE
EFFICIENCY COMMITTEE MEETING MINUTES**HONORABLE JOHN CHIANG, COMMITTEE CHAIR
450 N STREET, SACRAMENTO

MAY 30, 2001, 9:30 A.M.

ACTION ITEMS & STATUS REPORT ITEMS**Agenda Item No: 1****Title: Program Review: Centralized Offers in Compromise Section****Issue/Topic:**

Jennifer Willis highlighted the background, current status, future improvements, and statistics on the centralized Offers in Compromise (OIC) Section. The OIC Section administers both the Offers in Compromise program and the Innocent Spouse Relief program. As of April 10, 2001, 369 Offers were submitted. Of those that meet the initial criteria for consideration, 43% have been or are in the process of being accepted. One hundred percent (100%) of the accepted offers were from funds not accessible to the board under normal collection avenues. One-half of the Innocent Spouse Relief requests have been approved.

Committee Discussion:

Dan Tokutomi responded to the Committee Members questions regarding the 43% acceptance rate of the board in comparison with the Franchise Tax Board's 60%, and the Employment Development Department's 65%. The Internal Revenue Service's acceptance rate information was unavailable. Questions were raised regarding the lack of legislative authority for accepting OIC's and why installment payment arrangements are not considered.

Committee Action/Recommendation/Direction:

The Committee directed staff to pursue OIC legislation and to consider methods for accepting installment payment agreements on offers. Members agreed with the staff's planned improvements to the Offers in Compromise and Innocent Spouse Relief programs.

Agenda Item No: 2**Title: Small Business Day Four-Year Plan****Issue/Topic:**

Does the Board approve the Four-Year Small Business Day Event Planning Calendar?

Committee Discussion:

None

Committee Action/Recommendation/Direction:

Calendar was approved by the Board.

Agenda Item No: 3

Title: Status Report: Utility Tax Return (via Internet and Faxback)

Issue/Topic:

Update on use of the Sales and Use Tax Return form, which is made available to taxpayers through the Internet and Faxback.

Committee Discussion:

Staff reported that over the past year, use of this form has increased significantly with taxpayers filing over 24,000 of these forms. Although some of these forms require special handling due to errors, the amount of time required to process the form is minor relative to the benefits that this form provides to our taxpayers. As such, this form will continue to be made available through the Internet and Faxback.

Committee Action/Recommendation/Direction:

The Committee accepted the staff's report.

Approved: _____
Honorable John Chiang, Committee Chair

James E. Speed, Executive Director

BOARD APPROVED

At the May 31, 2001 Board Meeting

Judy Newton, Chief
Board Proceeding Division