



STATE BOARD OF EQUALIZATION  
450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080  
(916) 322-2270 • FAX (916) 324-3984  
www.boe.ca.gov

BETTY T. YEE  
First District, San Francisco

MICHELLE STEEL  
Third District, Rolling Hills Estates

JEROME E. HORTON  
Fourth District, Los Angeles

JOHN CHIANG  
State Controller

BARBARA ALBY  
Acting Member  
Second District, Sacramento

RAMON J. HIRSIG  
Executive Director

**STATE BOARD OF EQUALIZATION MEETING**  
**450 N Street, Room 121, Sacramento**  
**July 13-15, 2010**  
**NOTICE AND AGENDA**  
**Meeting Agenda (as of 5:00 p.m., 07/02/10)**

[Agenda Changes](#)

**Tuesday, July 13, 2010**

**10:00 a.m. Board Committee Meeting Convenes\***

**Board Meeting Convenes upon Adjournment of the Board Committee Meeting\*\***

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. Items may be postponed to a subsequent day; however, items will not be moved to an earlier day.

**Board Committee Meetings\***

[Legislative Committee](#) .....Mr. Horton, Committee Chair

**I. 2010 Legislative Proposals**

Set forth below is a suggestion for Sales and Use Tax legislation to be sponsored by the Board in the second year of the 2009-10 Legislative Session.

**Business Taxes – Sales and Use Taxes**

3-7 Add Section 6480.10 to the Revenue and Taxation Code to allow specified suppliers and wholesalers of motor vehicle and/or diesel fuel a credit for their costs in complying with the Sales and Use Tax and the Fuel Taxes Laws.

**II. 2010 Legislative Bills**

**Recommendation for Board Position:**

- 1. [SB 884](#) Use Tax Registrants: Due Dates, Author: Ashburn and Runner

**Property Tax Committee** .....Ms. Steel, Committee Chair

1. Adoption of form BOE-502-A, *Preliminary Change of Ownership Report*, and form BOE-502-AH, *Change in Ownership Statement*.

Adoption of forms for use by transferees of real property when any document effecting a change in ownership is recorded.

2. Adoption of form BOE-64, *Claim for Seismic Safety Construction Exclusion from Assessment*.

Adoption of a claim form for an exclusion from assessment for the addition of seismic retrofitting components to existing structures.

**Board Meeting\*\*****Special Presentation** .....**Ms. Cazadd**➤ **Presentation of Franchise Tax Board Resolution +**

- A. Homeowner and Renter Property Tax Assistance Hearings  
There are no items for this matter.

**B. Corporate Franchise and Personal Income Tax Hearings**  
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)B1. **Hank Feenstra and Catherine Feenstra, 464316 +**

For Appellant: Hank Feenstra, Taxpayer  
Michael A. Thompson, Attorney  
Harvey Molatore, Witness  
For Franchise Tax Board: Jason Riley, Tax Counsel  
Bill Hilson, Tax Counsel

B2.a **Felix Lin and Betty Lin, 477812 +**B2.b **Linus Upson, 477856 +**B2.c **Rafael Weinstein, 477868 +**

For Appellants: Felix Lin, Taxpayer  
Linus Upson, Taxpayer  
Rafael Weinstein, Taxpayer  
Sheila Joyce Kellerman, Representative  
For Franchise Tax Board: Ann Hodges, Tax Counsel  
Bill Hilson, Tax Counsel

B3. **Mary Shamouel and Edmond Shamouel, 475296 +**

For Appellant: Bob Somal, Representative  
For Franchise Tax Board: Suzanne Small, Tax Counsel  
Marguerite Mosnier, Tax Counsel

- B4. **Kevin E. Gertner and Berta Martinez, 476333 +**  
 For Appellant: Kevin E. Gertner, Taxpayer  
 For Franchise Tax Board: Natasha Page, Tax Counsel  
 Maria Brosterhous, Tax Counsel

**C. Sales and Use Tax Appeals Hearings**

These items are scheduled for Wednesday, July 14, 2010.

There are no items for the following matters:

- D. Special Taxes Appeals Hearings
- E. Property Tax Appeals Hearings
- F. Public Hearings

**G. Tax Program Nonappearance Matters – Consent**

(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

G1. Legal Appeals Matters .....Mr. Levine

- Hearing Notices Sent – No Response
  1. Ken Macey's, Inc., 436176 (KH)
  2. James Paul Moon, Sr., 441033 (EH)
  - 3a. Issa I. Salto, 404555 (KH)
  - 3b. Leidia S. Salto, 416850 (KH)
  4. Lock Doctors Service Center, LLC, 389557 (OH)
- Hearing Notices Sent – Appearance Waived
  - 5a. Smoke Rings, Inc., 391126 (AR)
  - 5b. Rami Michell Darghalli, 402639 (AR)
  - 5c. Rami Michell Darghalli and Faiz Mohamed Munassar, 404172 (AR)

G2. Franchise and Income Tax Matters .....Ms. Kelly

- Hearing Notices Sent – No Response
  1. Adrian L. Castro and Coral A. Castro, 510834
  2. Jason M. Fox, 479782
  3. Andrew Charles Green, 509557
- Hearing Notice Sent – Appearance Waived
  4. Mercedes Castro and Raymond Castro, 487983
- Decisions
  5. Alpha Healthcare Management Services, LLC, 489514
  6. Robert K. Boxer, 474201
  7. John Buergel, 486588
  8. Donald G. Candy and Adrienne R. Candy, 478615
  9. Cassel Ridge, Inc., 513552
  10. Ana S. Castro-Dominguez, 432922
  11. M. Dadashzadeh and Z. Rezvanpour, 474209
  12. Robert A. Forslund, 496775
  13. Otto Galindo, 492942
  14. Mark S. Harker and Suzanne K. Harker, 464522

- 15a. Imperial, Inc., 472648
  - 15b. Imperial, Inc. (C SGNF), 477927
  16. Alex Keyhan, 473084
  17. Diana Marie Lulay, 506785
  18. Gina Molina, 458831
  19. Brad Nightengale, 467042
  20. Terry W. Oesau, 462013
  21. Elly B. Pardo, 505571
  22. Evelyn Parker, 472898
  23. Eric Paul, 461392
  24. Purdue Regency Apartments, 495740
  25. Sandra L. Robbe, 327432
  26. John W. Rutherford and Carol J. Rutherford, 504724
  27. Louis M. Senno, 490330
  28. Mychal T. Young, 512542
  29. Nabil E. Zaki and Wedad T. Zaki, 492713
  30. Imelda Zorrilla, 459868
  - Petitions for Rehearing
  31. Konstantine Karavakis, 478167
  32. Connie S. Ray, 418262
- G3. Homeowner and Renter Property Tax Assistance Matters .....Ms. Kelly
- Decisions
  - 1. Sarah Amira, 444448
  - 2. Kathleen Ammaccapane, 437564
  - 3. Brice Anderson, 447787
  - 4. Judith Annette Blumberg, 442463
  - 5. Dior B. Boyd, 472991
  - 6. Phillip Cabaong, 445399
  - 7. Georgiann H. Cain, 443184
  - 8. Jessica Clifton, 422645
  - 9. Kristen Marie Conger, 447831
  - 10. Rafik R. Hanna, 445643
  - 11. Deena Johnson, 426217
  - 12. Atanacio Mandujano, 443063
  - 13. Sandra K. Morrill, 444284
  - 14. Rogelio Padilla, 426112
- G4. Sales and Use Taxes Matters .....Ms. Henry
- Redeterminations
  - 1. Nissin Foods Co., Inc., 493761 (AS)
  - 2. Arrow Electronics, Inc., 441028 (OH)
  - 3. Kimberly-Clark Global Sales, Inc., 489196 (OH)
  - Denials of Claims for Refund
  - 4. Mercedes-Benz Credit Corp., 316758 (OH)

- G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds ..... Ms. Henry
- Credits and Cancellations
    1. Trammo Petroleum, Inc., 494777 (OH)
    2. Amcobeauty Corporation, 529780 (FH)
    3. Hoop Retail Stores, LLC, 529654 (OH)
    4. Pacific Coast Gas Plus, Inc., 472385 (AC)
  - Refunds
    5. L.A. Unified School Dist., 460524 (AS)
    6. Jacobs Engineering Group, Inc., 493303 (AP)
    7. Charlotte Russe, Inc., 480624 (FH)
    8. Mercedes-Benz Credit Corp., 316758 (OH)
    9. Mercedes-Benz USA, LLC, 528907 (KH)
    10. U S Foodservice, Inc., 484238 (UT)
    11. Northrop Grumman Systems Corp., 476959 (AS)
    12. Arrowhead Central Credit Union, 513358 (EH)
    13. Americredit Financial Service, Inc., 514948 (OH)
    14. Lobel Financial Corporation, 515788 (EA)
    15. Rockwell Automation, Inc., 530273 (OH)
    16. Bay Federal Credit Union, 488866 (GH)
    17. A-L Financial Corp., 514994 (EA)
    18. Global Fine Arts, Inc., 528581 (AR)
- G6. Special Taxes Matters ..... Mr. Gau
- Denial of Claim for Refund
    1. Chevron U.S.A., Inc., 472535 (MT) 'CF'
- G7. Special Taxes Matters – Credits, Cancellations, and Refunds ..... Mr. Gau
- Refunds
    1. Chevron U.S.A., Inc., 332805 (MT) 'CF'
    2. Thrifty Payless, Inc., 379479 (ET)

There are no items for the following matters:

- G8. Property Tax Matters
- G9. Cigarette License Fee Matters
- G10. Legal Appeals Property Tax Matters

## H. Tax Program Nonappearance Matters – Adjudicatory

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- H1. Legal Appeals Matters .....Mr. Levine
- Case Heard But Not Decided
    1. [Ocean Palace, Inc., 425058 \(GH\)](#)

- H2. Franchise and Income Tax Matters .....Ms. Kelly
- Hearing Notice Sent – No Response
    1. Debasish Banerjee and Radhika Banerjee, 393736
  - Decisions
    2. Christopher D. Harper, 439956
    3. Manjusha P. Kulkarni and Shailendra N. Halbe, 440899
- H3. Homeowner and Renter Property Tax Assistance Matters  
There are no items for this matter.
- H4. Sales and Use Taxes Matters.....Ms. Henry
- Denial of Claim for Refund
    1. Michael Brian McCullough, 448949 (EA)
- H5. Sales and Use Taxes Matters – Credits, Cancellations,  
and Refunds ..... Ms. Henry
- Refunds
    1. Wells Fargo Auto Finance, Inc., 421052 (BH)
    2. American Airlines, Inc., 256349 (OH)

There are no items for the following matters:

- H6. Special Taxes Matters
- H7. Special Taxes Matters – Credits, Cancellations, and Refunds
- H8. Property Tax Matters
- H9. Cigarette License Fee Matters
- H10. Legal Appeals Property Tax Matters

#### **I. Tax Program Nonappearance Matters**

(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

- I1. Property Taxes Matters  
There are no items for this matter.
- I2. Offers in Compromise Recommendations ..... Ms. Ogrod/ Ms. Swanson
1. Charlene Cruff
  2. R & R Greene Living Trust
  3. Lloyd R. Jensen and Wilma Jensen
  4. Stephen Swartz
  5. Mary Jean Roscoe
  6. Curtiss Scott Pratt
  7. John Cambin Nance
  8. Tien T. Nguyen

## I3. Local Tax Reallocation Matters.....Ms. Nienow

## ➤ Hearing Notice Sent – Appearance Waived

1. [Cities of Anaheim, Carlsbad, Cupertino, El Segundo, Fresno, Hayward, Irvine, Laguna Beach, Los Angeles, Redwood City, Sacramento, San Diego, San Jose, San Leandro, Santa Ana, Torrance, Union City, Walnut Creek, and County of Sacramento](#)

[492073, 492075, 492329, 493248, 493264, 494436, 494438, 494459, 495390, 495391, 495733, 495734, 495774, 495775, 496077, 496080, 496315, 496316, 496951, 504845, 504846, 505121, 505125, 506449, 506450, 507277, 509321, 509322, 509700, 510244, 510246, 510466, 510488, 510489 +](#)

**Chief Counsel Matters**

## J. Rulemaking

This item is scheduled for Thursday, July 15, 2010.

There are no items for the following matters:

- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters

**Administrative Session**

The following items are scheduled for Thursday, July 15, 2010.

- N. Consent Agenda
- O. Adoption of Board Committee Reports and Approval of Committee Actions
- P. Other Administrative Matters

**Q. Closed Session**

These items are scheduled for Thursday, July 15, 2010.

**1:30 p.m. Board Meeting Reconvenes\*****B. Corporate Franchise and Personal Income Tax Hearings**

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

B5.a [Gerber Marital Trust \(Non-Exempt\), 513082 +](#)

B5.b [Gerber Marital Trust \(Exempt\), 513083 +](#)

B5.c [Gerber Marital Trust \(Exempt\), 513084 +](#)

For Appellant: Janet L. Everson, Attorney

For Franchise Tax Board: Jane Perez, Tax Counsel

Craig Scott, Tax Counsel

- B6. [James N. Smith, 510914 +](#)  
For Appellant: James N. Smith, Taxpayer  
Charles E. Smith, Jr., Attorney  
For Franchise Tax Board: Jane Perez, Tax Counsel  
Suzanne Small, Tax Counsel
- B7. [Clovus M. Sykes, 512493 +](#)  
For Appellant: Clovus M. Sykes, Taxpayer  
For Franchise Tax Board: Jane Perez, Tax Counsel  
Suzanne Small, Tax Counsel

**Adjourn** - The meeting will reconvene on Wednesday, July 14, 2010, at 9:30 a.m.

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If you would like specific information regarding items on this Notice and Agenda, please telephone (916) 322-2270 or e-mail: [MeetingInfo@boe.ca.gov](mailto:MeetingInfo@boe.ca.gov). Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

The hearing location is accessible to people with disabilities. Please contact Joann Richmond at (916) 322-1931, or e-mail [Joann.Richmond@boe.ca.gov](mailto:Joann.Richmond@boe.ca.gov) if you require special assistance.

Diane G. Olson, Chief  
Board Proceedings Division

- \* Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- \*\* Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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[Agenda Changes](#)

**Wednesday, July 14, 2010**

**9:30 a.m. Board Meeting Reconvenes\*\***

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**C. Sales and Use Tax Appeals Hearings**

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C1. [Propeller Portable Computer Products, Inc., 158412 \(OH\) +](#)  
For Petitioner: Robert R. Rubin, Attorney  
For Department: Chris Schutz, Tax Counsel

C2. [Oracle Corporation, 217113 \(BH\) +](#)  
For Petitioner: Wayne Sekigehama, Taxpayer  
Rob Punzo, Taxpayer  
Eric Miethke, Attorney  
For Department: Chris Schutz, Tax Counsel

C3. [Robert Charles Herzog, 381897 \(EH\) +](#)  
For Petitioner: Abe Golomb, Representative  
For Department: Chris Schutz, Tax Counsel

C4. [Commodore Cruises and Events, Inc., 424031, 514975 \(CH\) +](#)  
For Petitioner: Ward Proescher, Taxpayer  
Morgan Proescher, Taxpayer  
Bill Shine, Representative  
For Department: Cary Huxsoll, Tax Counsel

**1:30 p.m. Board Meeting Reconvenes\*****C. Sales and Use Tax Appeals Hearings**

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

**C5. [NCMG, Inc., 386871 \(CH\) +](#)**

For Petitioner: Shun Huang (Jason) Sheng, Taxpayer  
Darren Berger, Representative  
For Department: Scott Lambert, Hearing Representative

**C6. [J&E Holdings, LLC, 430091 \(BH\) +](#)**

For Petitioner: Gerard Darian, Taxpayer  
Butch Kruse, Representative  
For Department: Scott Lambert, Hearing Representative

**C7. [Mohammad Raouf, 464805 \(JH\) +](#)**

For Petitioner: Mohammad Raouf, Taxpayer  
For Department: Scott Lambert, Hearing Representative

**C8. [Kerry Michael Lawrence, 439774 \(KH\) +](#)**

For Petitioner: Kerry Lawrence, Taxpayer  
Robert Schimpf, Witness  
For Department: Andrew Kwee, Tax Counsel

**C9. [Robert A. Schimpf, 437280 \(KH\) +](#)**

For Petitioner: Robert A. Schimpf, Taxpayer  
For Department: Andrew Kwee, Tax Counsel

**C10. [Jaswant S. Sra, 437185 \(UT\) +](#)**

For Petitioner: Jaswant S. Sra, Taxpayer  
For Department: Cary Huxsoll, Tax

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**C. Sales and Use Tax Appeals Hearings**

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C11. [Eric Thomas Welch, 325518 \(KH\) +](#)

For Petitioner: Eric T. Welch, Taxpayer  
For Department: Cary Huxsoll, Tax Counsel

C12.a [Shiraz Petroleum Corporation, 465945 \(CH\) +](#)

C12.b [Malek S. Naderpour, 465946 \(CH\) +](#)

For Petitioner: Patrick Galligan, Attorney  
For Department: Scott Lambert, Hearing Representative

**Chief Counsel Matters**

**J. Rulemaking**

**Section 100 Changes**

J1. [Regulation 1598, Motor Vehicle and Aircraft Fuels \(MVF\) +](#).....Mr. Heller

Staff request for authorization to complete Rule 100 changes to incorporate the provisions of Revenue and Taxation Code section 6357.7. The provisions provide a partial exemption from the sales and use of motor vehicle fuel, operative July 1, 2010.

## Administrative Session

### N. Consent Agenda ..... Ms. Olson (Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

#### N1. Retirement Resolutions +

- Maria (Sandy) A. Dangelo
- Larry Hanson
- Irene Johnson
- John Tyler

#### N2. Approval of Board Meeting Minutes

- [May 25-26, 2010 +](#)

#### N3. Adoption of Property Tax Forms +

- BOE-58-AH *Claim for Reassessment Exclusion for Transfer Between Parent and Child*  
Revised to delete language regarding \$175 processing fee, since this fee is appropriate only in counties that have an ordinance in place.
- BOE-60-AH *Claim of Person(s) at Least 55 Years of Age for Transfer of Base Year Value to Replacement Dwelling*  
Revised to include language in the instructions regarding prospective relief provisions.
- BOE-62 *Disabled Persons Claim for Transfer of Base Year Value to Replacement Dwelling*  
Revised to include language regarding the necessity to include a Certificate of Disability with the claim form.
- BOE-62-A *Certificate of Disability*  
Revised to require that the physician provide the date of disability and a description of the patient's disability.
- BOE-65-P *Claim for Intracounty Transfer of Base Year Value to Replacement Property for Property Damaged or Destroyed in a Governor-Declared Disaster*  
Revised to add language pursuant to the provisions of Senate Bill 824 (Stats. 2009, Ch. 67) whereby land and improvements are treated as separate units in meeting the "substantially damaged or destroyed" threshold of 50 percent for purposes of qualifying for disaster relief.

- BOE-65-PT *Claim for Intercounty Transfer of Base Year Value from Principal Residence Damaged or Destroyed in a Governor-Declared Disaster to Replacement Property*  
Revised to add language pursuant to the provisions of Senate Bill 824 (Stats. 2009, Ch. 67) whereby land and improvements are treated as separate units in meeting the "substantially damaged or destroyed" threshold of 50 percent for purposes of qualifying for disaster relief.
- BOE-260 *Certificate and Affidavit for Exemption of Work of Art*  
Revised to add zip code reference and to make minor grammatical changes.
- BOE-260-A *Certificate and Affidavit for Exemption of Certain Aircraft*  
Revised to add zip code reference and to make minor grammatical changes.
- BOE-260-B *Claim for Exemption from Property Taxes of Aircraft of Historical Significance*  
Revised to clarify exemption requirements for an aircraft purchased during the last days of a year and to make minor grammatical changes.
- BOE-261-D *Servicemembers Civil Relief Act Declaration*  
Revised to accommodate the change from the Soldiers and Sailors Civil Relief Act to the Servicemembers Civil Relief Act and to cite the revised section reference; and to add requirement for social security numbers.
- BOE-261-G *2011 Claim for Disabled Veterans' Property Tax Exemption*  
Revised to simplify the language regarding the two disabled veterans' exemption levels.
- BOE-261-GNT *2011 Disabled Veterans' Exemption Change of Eligibility Report*  
Revised to simplify the language regarding the two disabled veterans' exemption levels.

- BOE-263-B *Lessees' Exemption Claim*  
Revised to delete the requirement that the lessee must obtain a signed affidavit from the lessor before the lessee's claim could be approved. Revised questions to capture essential information that was previously contained on the affidavit.
- BOE-264-AH *College Exemption Claim*  
Revised to simplify the language of whether the exemption is being claimed on both land and buildings.
- BOE-265-NT *Cemetery Exemption Change in Eligibility or Termination Notice*  
Revised to update for dates and to make minor grammatical changes.
- BOE-267-S *Religious Exemption*  
Revised to simplify the language regarding additional land requirements.
- BOE-267-SNT *Religious Exemption Change in Eligibility or Termination Notice*  
Revised to update for dates and to make minor grammatical changes.
- BOE-270-AH *Exhibition Exemption Claim from Property Taxes*  
Revised to change form title.
- BOE-571-A *Agricultural Property Statement for 2011*  
Revised to add line and instructions for "construction in progress" to conform to similar requirement on the Business Property Statement. Updated dates and made minor grammatical correction.
- BOE-571-F *Agricultural Property Statement for 2011*  
Revised to add line and instructions for "construction in progress" to conform to similar requirement on the Business Property Statement. Updated dates and made minor grammatical correction.
- BOE-571-S *Business Property Statement for 2011, Short form*  
Revised Schedule A and instructions to accommodate Board-adopted assessment practices for non-production computers. Updated dates and made minor grammatical correction.

- BOE-576-D      *Vessel Property Statement*  
 Revised to rearrange sequence of questions, and added statement regarding ownership by LLC. Revised instructions to reflect change from Soldiers and Sailors Civil Relief Act to Servicemembers Civil Relief Act.
  
- BOE-577      *Aircraft Property Statement*  
 Revised to add statements regarding common carriage and to clarify abbreviations used on the form. Added statement regarding ownership by LLC. Revised instructions to reflect change from Soldiers and Sailors Civil Relief Act to Servicemembers Civil Relief Act.

**O. Adoption of Board Committee Reports and Approval of Committee Actions**

- O1. Legislative Committee
- O2. Property Tax Committee

**P. Other Administrative Matters**

- P1. Executive Director’s Report ..... Ms. Cazadd
  - 1. [Report on time extensions to Alpine, Amador, Calaveras, Colusa, El Dorado, Inyo, Lassen, Madera, Placer, Plumas, San Benito, Shasta, Solano, Sonoma, Sutter, Tehama, Trinity and Yuba Counties to complete and submit 2010/11 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155. +](#)

There are no items for the following matters:

- P2. Chief Counsel’s Report
- P3. Sales and Use Tax Deputy Director’s Report
  
- P4. Property and Special Taxes Deputy Director’s Report..... Mr. Gau
  - 1. [Update on Reorganization of the Special Taxes Programs +](#)  
 Status of action items performed to date and next phase of the functional reorganization.
  - 2. [Adoption of the 2010/11 Private Railroad Car Tax Rate – ‘CF’ +](#) ..... Mr. Ingenito  
 Staff recommendation for the tax rate to be applied in 2010/11 to the value of private railroad cars.
  - 3. Adoption of the 2010 Private Railroad Car Roll –‘CF’++ ..... Mr. Thompson  
 Staff recommendation for the lien date 2010 assessment of private railroad cars under the provisions of the Private Railroad Car Tax Law.

4. Adoption of the 2010 State-Assessed Property Roll – ‘CF’ ++ ..... Mr. Thompson  
Staff recommendation on the allocations of the unitary values adopted by the Board in May 2010, plus adjustments based on prior Board action and staff-recommended nonunitary values.
- P5. Administration Deputy Director’s Report + ..... Ms. Houser
1. Contracts Over \$1 Million – This item is for Board approval. +
- a. Department of Motor Vehicles (DMV) +  
This contract is for DMV’s collection of sales and use tax for vehicles and vessels, and collection of other special fees.
- b. Office of Chief Information Officer (OCIO) +  
This contract is for multiple data processing services from the consolidated data center provided by the OCIO.
2. Facilities Update – These items provide information and may require Board action.
- a. Headquarters Facilities – Update on the Headquarters remediation project.
- b. Headquarters Annex – Update on the Headquarters annex locations.
3. 2010/11 and 2011/12 Budget Update, Furlough Plan and Layoffs – These items provide information and may require Board action or direction.
- a. Governor’s 2010/11 Budget, Governor’s Executive Orders, State Employee Furlough, and layoffs.
- b. 2011/12 Budget Concepts +
- Permanent Establishment of the Statewide Compliance and Outreach Program (SCOP)
  - Enhancing Tax Compliance
  - BOE Facilities Masterplan
- P6. Technology Deputy Director’s Report ..... Ms. Brannen
1. Proposed Automation Project – Centralized Revenue Opportunity System (CROS) +  
The Chief Information Officer (CIO) will discuss a proposed automation project to replace the current automation systems, create a data warehouse, and expand eServices; and discuss the project’s organization and leadership structure.

Announcement of Closed Session ..... Ms. Olson

**Q. Closed Session**

- Q1. Discussion and approval of staff recommendations regarding settlement cases (Rev. & Tax. Code §§ 6901, 7093.5, 30459.1 and 50156.11)
- Q2. Discussion of Master Settlement Agreement Tobacco Litigation (Gov. Code, §11126(e).)
- Q3. Pending litigation: *Western States Petroleum Association v. State Board of Equalization*, Los Angeles Superior Court, Case No. BC 403167 (Gov. Code § 11126(e))
- Q4. Pending litigation: *Daimler Chrysler Corporation v. State Board of Equalization*, San Francisco County Superior Court, Case No. CCC07-459702; *Mercedes Benz USA LLC v. State Board of Equalization*, San Francisco County Superior Court Case No. CGC 08-471310 (Gov. Code § 11126(e))
- Q5. Pending litigation: *Governor Arnold Schwarzenegger, et al. v. State Controller John Chiang, et al.*, Sacramento County Superior Court, Case No. 34-2009-80000158 (Gov. Code § 11126(e))
- Q6. Pending litigation: *Schroeder, et al. v. State Board of Equalization, et al.* Sacramento Superior Court Case No. 34-2008-00004467-CU-MT-GDS; *Frankot, et al. v. State Board of Equalization, et al.*, Sacramento Superior Court Case No. 34-2008-00012174-CU-PO-GDS; and, *Allen, et al. v. State Board of Equalization, et al.*, Sacramento Superior Court, Case No. 34-2008-00017014-CU-TT-GDS (Gov. Code § 11126(e)(2)(B)(i))
- Q7. Discussion and action on personnel matters (Gov. Code § 11126(a))

Announcement of Open Session..... Ms. Olson

**Adjourn**

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Diane G. Olson, Chief  
Board Proceedings Division

- \* Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- \*\* Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.