



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
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JUDY CHU, Ph.D.
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

STATE BOARD OF EQUALIZATION MEETING
5901 Green Valley Circle, Room 207, Culver City
October 28-29, 2008
NOTICE AND AGENDA
Meeting Agenda (as of 2:00 p.m. 10/24/08)

[Agenda Changes](#)

Tuesday, October 28, 2008

9:30 a.m. Board Meeting Convenes*

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair, Dr. Chu, 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.

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. ~~Viking Office Products, Inc., 313229, 339787~~
For Appellant: Marty Dakessian, Attorney
LaShelle Wilson, Attorney
For Franchise Tax Board: Ann Hodges, Tax Counsel
- B2. ~~Douglas A. Shiepe, 421046~~
For Appellant: Douglas A. Shiepe, Taxpayer
Scott F. Sonken, CPA
For Franchise Tax Board: Adam Susz, Tax Counsel
- B3. Frances L. Cummings and Thomas Cummings, 423959
For Appellant: Keith A. Shibou, CPA
For Franchise Tax Board: Judy Hirano, Tax Counsel
- B4. Delbert Saubel and Elaine D. Saubel, 400896, 434825
For Appellant: Keith A. Shibou, CPA
For Franchise Tax Board: Natasha Sherwood Page, Tax Counsel

- B5. Thomas C. DuBose, Jr. and Margaret I. DuBose, 423967
 For Appellant: Thomas C. DuBose, Jr., Taxpayer
 Margaret I. DuBose, Taxpayer
 For Franchise Tax Board: Diane Ewing, Tax Counsel
- B6. Anthony J. Ciabattoni, 400348
 For Appellant: Anthony J. Ciabattoni, Taxpayer
 For Franchise Tax Board: Craig Scott, Tax Counsel

C. Sales and Use Tax Appeals Hearings

These items are scheduled for Wednesday, October 29, 2008.

D. Special Taxes Appeals Hearing

This item is scheduled for Wednesday, October 29, 2008.

There are no items for the following matters:

- 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

These items are scheduled for Wednesday, October 29, 2008.

G2. Franchise and Income Tax MattersMs. Kelly

➤ Decisions

1. Maria E. Alvarez, 383697
2. Dominic Denha, 400250
3. Doug Green, 381614
4. David Grossman, 377155
5. Kitty M. Hunsaker, 373248
6. Carole Koelfgen, 395441
7. Nancy W. Reckas, 362358
8. May C. Strickland, 352481
9. Chinin Tana, 377390

➤ Petitions for Rehearing

10. Affiliated Funding Corporation, 317945
11. Robert Fouts and Maureen Fouts, 383284
12. Jerome Thomas Heckenkamp, 381120
13. Eugene W. Lee, 349301
14. Marc Pretscher, 393425
15. Byron Reynolds, 382836

➤ Hearing Notices Sent – Appearance Waived

16. Marc Pretscher, 414671
17. Paul A. Ricci, 415357

- G3. Homeowner and Renter Property Tax Assistance MattersMs. Kelly
- Decisions
 1. Mary Arbuckle, 424063
 2. Diana Eisenbeiss, 387192
 3. Pamela Ann Vargo, 397105
- G4. Sales and Use Taxes Matters.....Ms. Henry
- Redeterminations
 1. ~~Richard W. Boothman, 348231 (OH)~~
 2. ~~Joyce M. Wooley, 348230 (OH)~~
 3. Chordiant Software, Inc., (GH)
 4. La Salsa Holding CO-A Delaware Corp., 431875 (EA)
 5. CKE Restaurants, Inc., 431867 (EA)
 6. Montblanc North America, LLC, 442300 (OH)
 7. Mindspeed Technologies, Inc., 435919 (EA)
 - Denials of Claims for Refund
 8. Oak Power Corp. Ltd. Ptn., 341192 (AR)
 9. CD Poso I, Inc. Ltd. Ptn., 341180 (AR)
 10. CD Jasmin I, Inc. Ltd. Ptn., 341181 (AR)
 11. Ace Cogeneration Company, LP, 341179 (EH)
 12. Ace Cogeneration Company, LP, 437743 (EH)
 13. Garden City, Inc., 345308 (GH)
 14. MCM & Associates, Inc., 404733 (GH)
 15. Information Resources, Inc., 423620 (OH)
 16. Searles Valley Minerals Operations, Inc., 341746 (OH)
- G5. Sales and Use Taxes Matters – Credits, Cancellations, and RefundsMs. Henry
- Credits and Cancellations
 1. Miller Brewing Company, 460669 (EA)
 2. The Artesia Companies, Inc., 282966 (KH)
 3. Cipriano Espino Salazar, 460872 (AC)
 4. ~~RJ Financial, Inc., 338827 (AA)~~
 5. Oracle Corporation, 460489 (BH)
 - Refunds
 6. Bowne of Los Angeles, Inc., 133520 (AS)
 7. CSC Outsourcing, Inc., 377107 (FH)
 8. Coastal International, Inc., 448981 (JH)
 9. Professional Hospital Supply, Inc., 436891 (EH)
 10. American Material Management Alliance, Inc., 209398, (EH)
 11. KLA-Tencor Corporation, 288546 (GH)
 12. Oracle Corporation, 219810 (BH)
 13. Information Resources, Inc., 423620 (OH)
 14. Insurance Company of the West, 379407 (FH)
 15. Wachovia Dealer Services, Inc., 447257 (EA)
 16. Calpine Corporation, 444324 (GH)
 17. Koch Membrane Systems, Inc., 430061 (OH)

18. Valero Marketing and Supply Company, 459653 (OH)
19. Sonic-Calabastas A, Inc., 449598 (AC)
20. Mullen Bros., Inc., 446517 (AC)
21. Foreman Financial, Inc., 450966 (AC)
22. Consumer Portfolio Services, Inc., 387494 (EA)
23. United Auto Credit Corporation, 446519 (EA)
24. California Coast Credit Union, 417683 (FH)
25. A-L Financial Corp, 415650 (EA)
26. A-L Financial Corp, 446522 (EA)
27. Kern Schools Federal Credit Union, 445928 (AR)
28. Acco Brands USA, LLC, 464344 (OH)
29. Kyoho Manufacturing California, 446216 (KH)
30. Household Retail Service, Inc., 449799 (OH)
31. Louis Dreyfus Corporation, 451412 (OH)

G6. Special Taxes Matters Mr. Gau

➤ Relief of Penalty

1. Chevron U.S.A., Inc., 450762 (MT)
2. Chevron U.S.A., Inc., 450763 (MT) 'CF'
3. Amco Insurance Company, 460150 (ET) 'CF'
4. Allied Property & Casualty Insurance Company, 460157 (ET) 'CF'
5. Nationwide Mutual Insurance Company, 460160 (ET) 'CF'
6. Victoria Fire & Casualty Company, 460180 (ET) 'CF'

G7. Special Taxes Matters – Credits, Cancellations,
and Refunds Mr. Gau

➤ Refunds

1. PMI Mortgage Insurance Company, 354105 (ET) 'CF'
2. Allstate Life Insurance Company, 427395 (ET) 'CF'
3. Genworth Life and Annuity Insurance Company, 432843 (ET) 'CF'
4. Northwestern Mutual Life Insurance Company, 457465 (ET) 'CF'
5. Nationwide Mutual Insurance Company, 457466 (ET) 'CF'

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

There are no items for this matter.

H2. Franchise and Income Tax Matters Ms. Kelly

➤ Petition for Rehearing

1. Daniel V, Inc., 342609

There are no items for the following matters:

- H3. Homeowner and Renter Property Tax Assistance Matters
- H4. Sales and Use Taxes Matters
- H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds
- 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
There are no items for these matters.

Chief Counsel Matters

There are no items for the following matters:

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

Administrative Session

- N. **Consent Agenda** Ms. Olson

- N1. [Sales Tax Prepayment Rate on Motor Vehicle Fuel, Diesel Fuel and Jet Fuel+](#)

Section 6480.1 of the R&T code requires the Board of Equalization to determine annually by November 1 the rate at which sales tax on motor vehicle fuel is to be collected. At the time such fuel is first distributed in the state during the twelve month period beginning the following April 1.

There are no items for the following matters:

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

- Announcement of Closed Session** Ms. Olson

Q. Closed Session

- Q1. Discussion and action on personnel matters (Gov. Code § 11126(a))

- Announcement of Open Session** Ms. Olson

1:30 p.m. Board Meeting Reconvenes***B. Corporate Franchise and Personal Income Tax Hearings**
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- B7. Thomas E. Philips and Christa Philips, 378023
For Appellant: Thomas E. Philips, Taxpayer
Habib Hanna, Attorney
For Franchise Tax Board: Jozel Brunett, Tax Counsel
- B8. Oscar E. Martinez, 402210
For Appellant: Oscar E. Martinez, Taxpayer
For Franchise Tax Board: Diane Ewing, Tax Counsel
- B9. Alex C. Bates, 406133
For Appellant: Alex Cameron Bates, Taxpayer
Paul Ballmer, Representative
For Franchise Tax Board: Jozel Brunett, Tax Counsel
- B10. ~~John Laszloffy, 416532~~
For Appellant: ~~John Laszloffy, Taxpayer~~
For Franchise Tax Board: ~~Mark McEvilly, Tax Counsel~~

Adjourn - The meeting will reconvene on Wednesday, October 29, 2008, at 9:30 a.m.

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The hearing location is accessible to people with disabilities. Please contact Claudia Madrigal at (916) 324-8261, or e-mail Claudia.Madrigal@boe.ca.gov if you require special assistance.

Diane G. Olson, Chief
Board Proceedings Division

- * 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.
- "CF" Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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C. Sales and Use Tax Appeals Hearings

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

- C1. Anwar Ali Meherally, 333841 (FH)
For Petitioner: Anwar Meherally, Taxpayer
Nazem Tiliani, Enrolled Agent
For Department: Cary Huxsoll, Tax Counsel
- C2. Anywhere Communications, LLC, 397944 (EA)
For Petitioner: Sandeep Thakore, Taxpayer
For Department: Christine Bisauta, Tax Counsel
- C3. Barbara Jean Lovitt, 378798 (AR)
For Petitioner: Barbara Jean Lovitt, Taxpayer
For Department: Todd MacMurray, Hearing Representative
- C4. Tal Rubin, 360275 (AC)
For Petitioner: Tal Rubin, Taxpayer
For Department: Cary Huxsoll, Tax Counsel
- C5. Lloyd R. Jensen, Sr. and Wilma L. Jensen, 349155 (UT)
For Petitioner: Louis Gandolfo, Representative
For Department: Cary Huxsoll, Tax Counsel

- C6. San Clemente Auto Rental, 405669, 451146 (EA)
For Petitioner/Claimant: John Lauer, Representative
Bill Lauer, Representative
Joe Lauer, Representative
Mike Michaelis, Attorney
For Department: Christine Bisauta, Tax Counsel
- C7. Orco Block Company, 334549, 341724 (EA)
For Petitioner/Claimant: David R. Rennie, Representative
Tom Ruggieri, Witness
Richard J. Muth, Witness
For Department: Lisa Andrews, Hearing Representative

1:30 p.m. Board Meeting Reconvenes*

C. Sales and Use Tax Appeals Hearings

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

- C8. 4100 Newport, Inc., 336851 (UT)
For Petitioner: Kristen Brown, Attorney
Joseph Cavallo, Witness
For Department: Carla Caruso, Tax Counsel
- C9. One-Stop Auto Supply, 336169 (EH)
For Petitioner: Floyd Vail, Taxpayer
Russell L. Davis, Attorney
For Department: Todd MacMurray, Hearing Representative
- C10a. Artashes Ambartsumyan, 335123 (EH)
C10b. Artashes Ambartsumyan, 334788 (EH)
For Petitioner: Artashes Ambartsumyan, Taxpayer
Sarwat E. Mikhail, CPA
For Department: Lisa Andrews, Hearing Representative

D. Special Taxes Appeals Hearing

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

- D1. Adnan Hasan Bawanah, 314857 (ET)
For Petitioner: Adnan Bawanah, Taxpayer
Alfred Verdi, Attorney
For Department: Tim Treichelt, Tax Counsel

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. Audrey Ovington Enterprises, Inc., 392190, 393720 (GH)
 2. Tobacco Trading, Inc., 347399 (ET)
 3. Charles A. Seiniger, 314425 (AS)
 4. Philip Press, Inc., 379140 (AS)
 5. Ghani Ebrahim Kothawala, 342923 (FH)
 6. Croce's, Inc., 397935 (FH)
 7. Seasilver USA, Inc., 348807 (FH)
 - 8a. Harbor Pipe & Steel, Inc., 354605 (EH)
 - 8b. Mal Wal of Southern California, Inc., 354604 (EH)
 9. Hesperia Truss, Inc., 400356 (EH)
 10. Corona Auction House, Inc., 377130 (EH)
- Hearing Notices Sent – Appearance Waived
 11. Yael Rubin, 360274 (AC)
 12. Sunrise Collections, Inc., 282023 (AC)

Adjourn

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