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March 18, 2010

Karen Smith
Franchise Tax Board
P.O.Box 1720
Rancho Cordova, CA 95741-1720

Re: Kenneth Pillay

Dear Ms. Smith,

I am writing this letter to summarize our conversation today.

Please be advised that I have never met with or worked with or for Kenneth Pillay.

The only possible connection (indirect) I may have is that I began preparing annual Federal and California tax returns for his ex-wife Nicola Pillay beginning with the 2003 tax year.

In preparing Nicola Pillay's 2003 tax returns I did mistakenly originally file Nicola's Federal and State tax returns with Kenneth Pillay's social security number, which differs from Nicola's social security number by only one digit. Kenneth's ends 3737 and Nicola's ends 3757. Upon discovery of the mistake in November 2004 (the returns were originally filed in early October 2004), we immediately contacted the Franchise Tax Board to correct the error. Based on a review of my notes regarding several calls to the FTB it appears as though Nicola finally received her refund in May of 2005. I cannot confirm whether or not she received this refund. The return I filed was clearly the return of Nicola Pillay. It displayed only her name as "taxpayer". It reported only her income. Nicola Pillay's W-2 was attached and matched the total wages reported on Line 12, Form 540. The return even included alimony income paid by Kenneth Pillay to Nicola Pillay.

FTB EXHIBIT
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Kenneth Pillay
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I have never discussed with or corresponded with Kenneth Pillay regarding this matter.

If you have any additional questions, please contact me at (408) 354-9922.

Sincerely,
DEATON, MICHAELS & HALL, CPA's



Kenneth E. Hall, CPA

KEH/rl

