

STATE BOARD OF EQUALIZATION



Appeal Name: DAVID JONES AND JAMIE JONES

Case ID: 525089 ITEM #: B1

Date: APRIL 26, 2011 Exhibit No: _____

TP FTB DEPT _____

**Duplicates and potential duplicates of items previously
included in the allowed theft loss deduction**

No.	Item	Date of Purchase	Duplicate of item already allowed as a theft loss deduction	Note on deductibility as a theft loss	Purchase Cost*
1	Fly Combo	02/07/2004	Yes. See Note 1.		\$ 14.00
2	Nevados (Men's Shoes)	02/07/2004	Yes. See Note 2.		21.54
3	DVD Player	02/07/2004	Possibly. See Note 3.		84.73
4	Hard drive	06/14/1997	Yes. See Note 4.		213.35
5	Sounds & Spirit Cassettes	Unknown	Yes. See Note 5.		771.86
6	Memory Stick	05/16/2005	Yes. See Note 6.		129.29
7	Digital Camera	05/16/2005	Yes. See Note 7.		377.11
8	Microsoft Essentials	02/06/1998	Yes. See Note 8.	See Note 9.	107.70
9	MS Windows	02/06/1998	Yes. See Note 10.	See Note 9.	96.92
10	Computer	03/07/1998	Possibly. See Note 11.		1,400.74
11	Towing	05/27/2005	Yes. See Note 12.		80.00
12	Towing	05/25/2005	Yes. See Note 12.		285.00
13	Car repair	06/20/2005	Yes. See Note 12.		3,099.03
14	Computer - CPU, Motherboard, Case, Monitor, DVD burner, DVD Drive, Floppy Disk, RAM, Hard Drive, Speakers, Wireless Mouse & Keyboard, Card Reader, Printer/Scanner, Copier, Fax	Unknown	Possibly. See Note 13.	See Note 14.	2,000.00
					\$ 8,681.27

FTB Exhibit
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Items not previously included in the allowed theft loss deduction

No.	Item	Date of Purchase	Note on deductibility as a theft loss**	Purchase Cost*
15	CD Shelf	10/11/2000		\$ 64.63
16	Garden Access.	05/26/2001		268.74
17	Bed & Mattress	09/01/2001		668.28
18	Wet/Dry Vacuum	12/03/2000	See Note 15.	64.64
19	Unknown	06/14/1997		19.95
20	4-122MH CPU	06/14/1997		59.26
21	Labs G Graphics	06/14/1997		53.86
22	Copy arm holder	06/14/1997		5.38
23	Surge protector	06/14/1997		6.45
24	Screen repair	04/11/2003		377.12
25	Motion Light	05/10/2005	See Note 16.	86.17
26	Keyboard	01/04/2001	See Note 17.	107.45
27	Mouse pad/Wrist Rest	01/04/2001	See Note 17.	10.74
28	Leather Chair	08/06/1998		140.49
29	Juggling Clubs	11/17/1992		93.00
30	AbSlide	11/18/2000		85.21
31	11" Card Bubble	04/24/1998		4.30
32	Infant Headrest	04/24/1998		9.69
33	Car Seat	04/24/1998		56.64
34	Sand Tools (Toys)	04/24/1998		3.23
35	Rapunzel Barbie	01/30/1998		17.23
36	Snookums BeanBag Doll	01/30/1998		10.74
37	3 newborn booties	01/30/1998		4.30
38	Newborn computer	01/30/1998		4.30
39	2 magic bottles	01/30/1998		2.14
40	Unknown	01/19/2001	See Note 18.	12.88
41	Unknown	01/19/2001	See Note 18.	5.33
42	Enclosure	01/19/2001		2.10
43	Card	01/19/2001		2.69
44	Replaced Windows	09/11/2000		887.40
45	6 ft Ladder	08/24/2000		73.25
46	Blower/Vacuum	09/30/2000		73.27
47	Damaged Fence	Unknown	See Note 19.	1,500.00
48	Whole House Fan - Deluxe Timer	Unknown	See Note 20.	889.00
				\$ 5,669.87

Notes

* Purchase cost includes price, tax and shipping and handling, if applicable.

**It should be noted, as stated in respondent's briefing, since appellants did not file a claim with their insurance provider for these non-duplicate, additional items stolen from their home, these items are not deductible. (IRC § 165(h)(5)(E).) However, even if these items were deductible, respondent has identified several issues with the deductibility of these items, which these notes clarify.

1. Appellants indicated in the correspondence dated January 15, 2011, that this was a duplicate of the items claimed in the police report, which are included in the amounts already allowed as a deduction.
2. Appellants indicated in the correspondence dated January 15, 2011, that this was a duplicate of the items claimed in the police report, which are included in the amounts already allowed as a deduction.
3. The DVD player appears to possibly be a duplicate of a deduction that was already allowed for a CD changer, as reported on page 8 of the police report.
4. The hard drive was already allowed as a deduction as shown on page 6 of the police report.
5. Appellants indicated in the correspondence dated January 15, 2011, that this was a duplicate of the items claimed in the police report, which are included in the amounts already allowed as a deduction.
6. Appellants indicated in the correspondence dated January 15, 2011, that this was a duplicate of the items claimed in the police report, which are included in the amounts already allowed as a deduction.
7. Appellants indicated in the correspondence dated January 15, 2011, that this was a duplicate of the items claimed in the police report, which are included in the amounts already allowed as a deduction.
8. Microsoft Essentials, which is Microsoft software, was already allowed as a deduction as shown on page 13 of the police report.
9. Appellants claimed the combined value of the Microsoft Essentials and the MS Windows to be the total amount as shown on the receipt of \$206.54. However, this receipt was for the Microsoft Essentials, MS Windows, and Trident Gum. Since the Trident Gum was purchased in 1998 and it is not believed to have been stolen in the 2005 theft, this amount was excluded from the values listed on this spreadsheet.
10. MS Windows, which is Microsoft software, was already allowed as a deduction as shown on page 13 of the police report.
11. Appellants indicated a computer was stolen as shown on item No. 14 of this spreadsheet. This item may be a duplicate of item No. 14.
12. As stated in respondent's opening brief, the theft loss amount reported on appellants' 2005 tax return of \$14,196 includes the items listed on the police report, the car repair and the car towing.
13. The handwritten list of computer items appellants are claiming are possible duplicates of the following items: motherboard (item shown on page 7 of police report), hard drive (item shown on page 6 of police report); keyboard (item shown on receipt on line 26), printer (item shown on page 6 of police report).
14. Appellants did not provide a receipt of the computer, instead they provided a hand-written list of the computer items. As a result, it is difficult to confirm the value.
15. Appellants claimed the vacuum to be valued at \$84.64, but the receipt is actually for \$64.64, since the vacuum cost \$59.99 and there was \$4.65 in tax, for a total of \$64.64. The number listed in this spreadsheet is that of the value listed on the receipt.
16. Appellants indicated that the motion light was purchased after the theft for protection. Since this item was not stolen in the theft it is not deductible as a theft loss.
17. Appellants claimed the combined value of the keyboard and the mouse pad/wrist rest to be

Notes

the total cash tendered of \$120 when purchasing these item at Fry's, instead of the purchase cost. The value provided in this spreadsheet is the purchase cost as shown on the receipt.

18. This item was purchased at Blooming Art, which sells flowers and art. The nature of this item is not clear, since the portion of the receipt describing this item is unreadable. However, since the other purchases evidenced on the receipt show a card and enclosure, it would suggest that this items was for a flower arrangement, as a card and enclosure would be of the type of items that would be included with a flower purchase.

19. Appellants did not provide a receipt evidencing the repairs, making it difficult to confirm the value. Lastly, the police report indicated that the robber tried to jimmy a door and entered through a window. There was no indication of a broken fence.

20. It is unclear if the document appellants provided as evidence of the value for the whole house fan - deluxe timer is a receipt, as it does not resemble a traditional itemized receipt. Also, there are multiple values listed on this paper with no indication as to what these values mean. As a result, it is difficult to confirm the values appellants are claiming for the whole house fan - deluxe timer.