



**STATE BOARD OF EQUALIZATION**

450 N STREET, SACRAMENTO, CALIFORNIA  
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STEVE WESTLY  
State Controller, Sacramento

RAMON J. HIRSIG  
Executive Director

**STATE BOARD OF EQUALIZATION MEETING  
450 N Street, Sacramento  
December 12-13, 2006  
NOTICE AND AGENDA**

**December 12, 2006**

**Board Committee Meeting Convenes at 9:30 a.m.\*  
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, Mr. Chiang, may modify the order of the items on the agenda.

**BOARD COMMITTEE MEETING**

**LEGISLATIVE COMMITTEE – Room 122 ..... Ms. Yee, Committee Chair**

Suggestions for Property Taxes and Business Taxes (Sales and Use Taxes) legislation to be sponsored by the Board in the first year of the 2007-2008 Legislative Session. Additional suggestions will be included on the agenda for January 2007.

➤ **2007 Legislative Proposals—Property Taxes**

- Amend Revenue and Taxation Code section 69.5 to correct a technical error made by SB 555 (Ch. 264, Stats. 2005). (Technical)
- Amend section 215.1 of the Revenue and Taxation Code, related to the Veterans' Organization Exemption, to add a cross reference to the administrative procedure necessary to obtain the exemption.
- Amend sections 480 and 482 of the Revenue and Taxation Code to increase the maximum penalty cap from \$2,500 to \$10,000 for failure to file a change in ownership statement (except for property eligible for the homeowners' exemption) and amend section 480.4 to remove the specific detail of the preliminary change of ownership report from statute and add section 2188.25 to add legislative intent language to improve the administration of assessments made for leasehold (tenant) improvements.

- **2007 Legislative Proposals—Business Taxes (Sales and Use Taxes)**
- Expand Suggestion Number 3-1 of the November 20, 2006 agenda to further amend section 6405 of the Revenue and Taxation Code to broaden that exemption to include the first \$800 of tangible personal property purchased by individuals from another state (other than vehicles, vessels and aircraft) and personally hand carried into California within any 30-day period.
  - Add section 7269 to the Transactions and Use Tax Law to provide for a limitation on redistributions of transactions and use taxes.

## **BOARD MEETING – Room 121**

### **ORAL HEARINGS**

#### **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. Mark S. Collins and Marcia L. Collins, 312870  
For Appellant: Mark S. Collins, Taxpayer  
Dean R. Westly, Attorney  
For Franchise Tax Board: Christopher Parker, Tax Counsel

B2. Ronald Tomsic, 294757  
Bernard A. Reiling and Judith Reiling, 294780  
Sanford Kopelow and Marlene Kopelow, 295580  
Steven C. Walker and Lissa Jean Walker, 301166  
For Appellant: Robert S. Horwitz, Attorney  
Christopher Micheli, Attorney  
Rex Halverson, Attorney  
For Franchise Tax Board: David Gemmingen, Tax Counsel

~~B3. Nassco Holdings, Inc., 317434  
For Appellant: James B. Euphrat, Taxpayer  
Gail H. Morse, Representative  
For Franchise Tax Board: Renel Sapiandante, Tax Counsel~~

#### **C. SALES AND USE TAX APPEALS HEARINGS**

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

C1. James W. McKenney, 283203 (KHO)  
For Petitioner: James W. McKenney, Taxpayer  
For Department: Carla Caruso, Tax Counsel

- C2. Fireside-Corkwood, Inc., 252969 (KH)  
 For Petitioner: Robert S. Jouganatos, Taxpayer  
 For Department: Kevin Hanks, Hearing Representative
- C3. P J Helicopters, Inc., 224188 (UT)  
 For Petitioner: Joseph F. R. Micallef, Representative  
 Joseph F. Micallef, Representative  
 For Department: Sharon Jarvis, Tax Counsel
- C4. Shannon McKelvey and Clarence McKelvey, 242685 (KH)  
 For Petitioner: Clarence McKelvey, Taxpayer  
 Shannon McKelvey, Taxpayer  
 For Department: Kevin Hanks, Hearing Representative
- ~~C5. Parquette Industries, Inc., 283835 (JHF)  
 For Petitioner: Richard E. Parquette, Taxpayer  
 For Department: Trecia Nienow, Tax Counsel~~

**G. TAX PROGRAM NONAPPEARANCE MATTERS – CONSENT**  
 (Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

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

- Petitions for Rehearing
  - 1a. United Parcel Service, Inc., 98724, 126831, 131381, 153034, 192709, 242411 (OH)
  - 1b. United Parcel Service, Inc., 98726, 131383, 131431, 153036, 207917, 242304 (EAA)
  - 1c. United Parcel Service, Inc., 272826 (CH)
- Hearing Notices Sent – No Response
  2. Milton McKenzie Investment Corporation, 129605, 138569 (BH)
- Petitions for Release of Seized Property
  3. Aziz A. Zora and Ramzi M. Hanna, 362974 (ET)
  4. Roy Ngo and Tan Thanh Ngo, 374010 (ET)
  5. Nune Tolmajyan, 374012 (ET)
  6. Mohammad Z. Homayun, 372185 (ET)

**G2 Franchise and Income Tax Matters ..... Mr. Schreiter**

- Decisions
  1. Alfred J. Antonini, 283987
  2. Ledle Arreola, 332699
  3. Richard Brown and Louise Brown, 348733
  4. Jose De Jesus Cervantes, 332852
  5. Christine Chiang, 332393
  6. Elizabeth Cortez, 333187
  7. Leopoldo D. Cotaco, 330272
  8. Susan Douglas, 342131
  9. Marc Goudeau, 304303
  10. Carlos Longoria, 339839

11. David R. Mallegg, 343154
12. Micro Devices Technology, Inc., 315475
13. Conrad J. Mondon, 314845
14. Abundio Montoya, 333219
15. Walter O. Munoz, 333235
16. Samuel E. Portillo, 333493
17. Nolberto Torres Rogel, 337088
18. Luis Rodriguez, 342408
19. Isaias Valdez Soto, 333214
20. Howard James Stockwell, 310307
21. Darrel Alan Travis, 339857
22. Juana Maravilla Villalobos, 336710
23. Joseph Zelman, 332675
- Petitions for Rehearing
24. Billy W. Blanks and Gayle H. Blanks, 268581  
BG Star Productions, Inc., 268579
25. David C. Claunch, 281451
26. Howard L. Greenblatt and Debra D. Greenblatt, 303631
27. Michael E. Hodsdon, 305183
28. Allen Nichelini, 311076
29. Steven R. Nicholas, 306724
30. Alfred R. Penn, 315199
31. Lori Pridemore, 315439
32. Kenneth A. Sauer and Eliza B. Sauer, 308089
33. J. Ricardo Sobrevilla and Enedelia Sobrevilla, 310301
34. Melvin A. Vides, 310520

### **G3 Homeowner and Renter Property Tax**

#### **Assistance Matters..... Mr. Schreiter**

- Decisions
1. Armita Agagulyan, 335930
2. Jeff Alan Ashe, 347701
3. Loreta R. Aylor, 339844
4. Violet M. Bates, 339315
5. Luis Castellanos, 340531
6. Mary Cook, 334700
7. Dorothy Cowling, 330229
8. Toni A. Daniels, 340530
9. Jean Day, 348949
10. Donna Defrancesco, 336608
11. Katharine Djerahian, 330506
12. Stacy Fields, 335918
13. Sherian A. Gibson, 330650
14. Wayne Halberg, 335892
15. Terry Lee Holloway, 347347
16. Nancy Barbara Leon, 339308
17. Ora Lee Littlejohn, 335141
18. Delia Masse, 339330

19. Tyiest Mayo, 335271
20. Steven L. Meldgin, 341156
21. G. A. Nadjmabadi, 340608
22. Arthur M. Pride, 348142
23. Diane Ranta, 339332
24. John Williams, Jr., 345769
25. Douglas Wright, 345389

**G4 Sales and Use Taxes Matters ..... Ms. Henry**

- Redetermination
  1. Comexi North America, Inc., 318328 (OHA)
- Relief of Penalty/Interest
  2. United Rentals Northwest, Inc., 373684 (OHB)
  3. ADT Security Services, Inc., 372814 (OHC)
- Denials of Claims for Refund
  4. Edwin M. Culver, 350298 (GHC)
  5. Citicapital Commercial Leasing, 203723 (OHC)
  6. Best Buy Store L P, 359815 (OHA)
  7. Union Acceptance Corporation, 372477 (OHA)

**G5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds..... Ms. Henry**

- Credits and Cancellations
  - ~~1. Cirilo Montes, 361150 (EH)~~
  2. Mark Finkle, 375200 (CH)
- Refunds
  3. Universal City Studios, Inc., 363127 (AC)
  - ~~4. Kawasaki Motors Corporation USA, 353580 (EAA)~~
  5. Harris Corporation, 315297 (OHA)
  6. Cisco Systems, Inc., 332303 (GH)
  7. The Bottarini Corporation, 372167 (BH)
  8. Thoratec Laboratories Corporation, 372819 (CH)
  9. Sybase, Inc., 354959 (CH)
  10. Solar Turbines, Inc., 314865 (FH)
  11. Cubic Defense Systems, Inc., 375114 (FH)
  12. Ecolab, Inc., 336747 (OHA)
  13. KHS, A Division of Klochner KHS, 350938 (OHA)
  14. Chevrolet Motor Division, 374009 (OHA)
  15. Daimler Chrysler Corporation, 373562 (CHA)
  16. Fluoresco Lighting-Sign Maint. Corporation, 304351 (OH)
  17. Bevco Sales International, Inc., 348914 (OH)
  18. Make-Up Art Cosmetics, Inc., 312963 (OHB)
  19. Lu Mend, Inc., 335893 (BH)
  20. Waseem Ahmed, 331483 (KHO)
  21. Hat Trick Catering, Inc., 339165 (AC)
  22. Hollywood Rental Production Service, LLC, 375119 (AC)
  23. Ubiquitel Operating Company, 374036 (OHB)
  24. See's Candy Shops, Inc., 352040 (BH)

25. See's Candies, Inc., 352042 (BH)
26. Wescom Credit Union, 311038 (AP)
27. Use Credit Union, 362184 (FH)
28. USA Federal Credit Union, 372824 (FH)
29. Famous Design, 288959 (AS)
30. Top Auto Finance, Inc., 362313 (AC)
31. Union Acceptance Corporation, 341198 (OHA)
32. Optimum Group, LLC, 334149 (OHA)
33. Target Therapeutics, Inc., 328899 (CH)
34. A – L Financial Corporation, 372011 (EA)
35. Cig Financial, 360922 (EAA)
36. Star Bright Furniture, Inc., 372823 (ARH)
37. BWNVT Motors, Inc., 345177 (EAA)

**G6 Special Taxes Matters ..... Mr. Gau**

- Relief of Penalty
  1. Pacificare Life & Health Insurance Company, 298643 (ET) “CF”
  2. Jefferson National Life, Insurance Company, 355592 (ET) “CF”
- Redetermination
  3. Karl Kolpin, 192596 (ET)

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

- Credits and Cancellations
  1. Agracon, Inc., 376813 (MT)
- Refunds
  2. McLane/Suneast, Inc., 374158 (ET)
  3. Diageo North America, Inc., 355593 (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 ..... Mr. Levine**

- Cases Heard But Not Decided
  1. Michael P. Keegan, 254502 (EA)
  2. Frederik Van Rooyen, 255046, 309259 (EA)
  3. Brian Jerome Doherty, 236451 (UT)  
John Peter Mouyos, 239662 (EH)
  4. Qwest Communications, Corporation, 246379 (ET)
  5. R.E.M. Concepts, Inc., 332323 (EH)
  6. California Automobile Insurance Company, 127684, 139404 – “CF”

**H2 Franchise and Income Tax Matters..... Mr. Schreiter**

- Opinion
  1. Deluxe Corporation, 297128
- Decisions
  2. Mark Crumpacker, 313396
  3. Lisa M. Fagundes, 317594
  4. G.M.S., 221190  
John Marshall, 216967
  5. Joseph Melendez and Rosemary Persico, 330293
  6. Manuel Mireles and Rosa Mireles, 304422
  7. John J. Roppo, 311951
  8. Peter M. Soley, 310303
- Petition for Rehearing
  9. Argonaut Group, Inc., 287738
- Opinion on Petition for Rehearing
  10. Patricia Tyler-Griffis, 281239
- Matters for Board Consideration
  11. Angelina Mike and the Estate of Jorge G. Nunez, 262040

**H3 Homeowner and Renter Property Tax****Assistance Matters..... Mr. Schreiter**

- Decision
  1. Henderson Wallace Calloway, 332647

**H4 Sales and Use Taxes Matters ..... Ms. Henry**

- Denial of Claim for Refund
  1. Bericap, LLC, 294804 (EH)

**H5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds..... Ms. Henry**

- Credit and Cancellation
  1. Kathleen M. Frawley, 379431 (AP)
- Refunds
  2. Dowd & Guild, Inc., 348911 (CH)
  3. Allergan Sales, Inc., 357255 (EAA)
  4. Husky Injection Molding Systems, Inc., 346221 (OHB)
  5. Merillat Corporation, 357435 (OHA)
  6. Allergan Sales, LLC, 356791 (EAA)
  7. Allergan Sales, LLC, 357254 (EAA)
  8. Long Beach Acceptance Corporation, 198737 (EA)

**There are no items for the following matters**

H6 Special Taxes Matters

H7 Special Taxes Matters – Credits, Cancellations, and Refunds

**H8 Property Tax Matters**

These items are scheduled for Wednesday, December 13, 2006.

**H9 Cigarette License Fee Matters**

There are no items for this matter.

**H10 Legal Appeals Property Tax Matters**

These items are scheduled for Wednesday, December 13, 2006.

**I. TAX PROGRAM NONAPPEARANCE MATTERS**

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

**I1 Property Taxes Matters**

These items are scheduled for Wednesday, December 13, 2006.

**I2 Offers-in-Compromise Recommendations**

There are no items for this matter.

**BOARD MEETING RECONVENES AT 1:30 p.m. – ROOM 121****C. SALES AND USE TAX APPEALS HEARINGS**

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

- C6. Auto World, Inc., 285803 (KH)  
For Petitioner: Kia Amini, Taxpayer  
Mohsen Vaghefi, Taxpayer  
Ken Kinyon, Representative  
Dave Kinyon, Witness  
Ron Courter, Witness  
Paula Shaul, Witness  
Barry Jacobsen, Witness  
Lori Carpenter, Witness  
For Department: Robert Tucker, Tax Counsel
- C7. Binding Systems of California, Inc., 260936 (CH)  
For Petitioner: Valerie Guild, Taxpayer  
For Department: Robert Stipe, Tax Counsel
- C8. Enterprise Rent-A-Car Company of Los Angeles, Inc., 329547 (AS)  
For Claimant: Marty Dakessian, Attorney  
Orsolya Forgo, Attorney  
Timothy Walker, Representative  
For Department: Cary Huxsoll, Tax Counsel
- C9. Effective Engineering, Inc., 143932 (AC)  
For Petitioner: Grant Knox, Taxpayer  
Alan Kazden, CPA  
For Department: Bradley Heller, Tax Counsel

- C10. Joe Singh Sandhu, 186293 (EH)  
 For Petitioner: Joe Sandhu, Taxpayer  
 Dennis N. Brager, Attorney  
 John O. Kent, Attorney  
 For Department: Tim Treichelt, Tax Counsel
- C11. Sierra Railroad Company, 287920, 288213 (JHF)  
 For Petitioner: Michael Hart, Taxpayer  
 Lori Mersereau, Attorney  
 Torgny Nilsson, Representative  
 For Department: Cary Huxsoll, Tax Counsel

**D. SPECIAL TAXES APPEALS HEARINGS**

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

- D1. Asher Shaitrit, 198549 (ET)  
 For Petitioner: Frederick Phillips, Representative  
 For Department: Monica Brisbane, Tax Counsel

**E. PROPERTY TAX APPEALS HEARINGS**

These items are scheduled for Wednesday, December 13, 2006.

**F. PUBLIC HEARINGS**

**F1. *Rule 462.040, Change in Ownership—Joint Tenancies* ..... Mr. Lambert**

The amendments to Rule 462.040 clarify the requirements under article XIII A, section 2, of the California Constitution and sections 60 and 65 of the Revenue and Taxation Code for exclusion from change in ownership those transfers involving joint tenancies by eliminating the potential of obtaining “original transferor” status by transferring joint tenancy interests into trusts.

**F2. *Regulations 45000 et seq.* ..... Mr. Lambert**  
***Cigarette and Tobacco Products Licensing Act of 2003***

Proposed Adoption of New Chapter 9.5, Cigarette and Tobacco Products Licensing Act of 2003, Regulations 45000 through 47030 to implement the Cigarette and Tobacco Products Licensing Act of 2003. (Bus. & Prof. Code, § 22970 et seq.)

**F3. Timber Yield Tax Rate..... Mr. Hayes**

Revenue and Taxation Code, section 38202 requires that the Board adjust the timber yield tax rate in December of each year to the nearest one-tenth of one percent for the next calendar year. The adjustment is to be in the same proportion as the change from the previous tax year to the present one of the average general property tax rate in the rate adjustment counties.

**F4. Timber Harvest Values ..... Ms. Stuckey**

On or before December 31, 2006, the Board shall estimate the immediate harvest values of and adopt schedules for timber harvested between January 1, 2007 and June 30, 2007. (Rev. & Tax. Code, § 38204.)

**CHIEF COUNSEL MATTERS****J. Rulemaking****Section 100 Change to Regulations**

J1. Regulation 1586, *Works of Art and Museum Pieces for..... Mr. Lambert*  
*Public Display*

J2. Regulation 1591, *Medicines and Medical Devices ..... Mr. Lambert*  
*Regulation 1591.2, Wheelchairs, Crutches, Canes and Walkers*  
*Regulation 1591.4, Medical Oxygen Delivery Systems*

J3. Regulation 1660, *Leases of Tangible Personal Property-In General... Mr. Lambert*

J4. Regulation 1703, *Interest and Penalties ..... Mr. Lambert*

**Petition to Amend Regulation**

J5. Regulation 2530, *Inventories ..... Mr. Lambert*

Petition to adopt a regulation to tax flavored malt beverages as distilled spirits and/or amend Alcoholic Beverage Tax Regulation 2530.

**There are no items for the following matters.**

K. Business Taxes

L. Property Taxes

**M. Other Chief Counsel Matters**

M1. Recent Federal Developments & Emergency Telephone Users (911)  
Surcharge Refund Requests ..... Mr. Ferris

**ADMINISTRATIVE SESSION**

**N. Consent Agenda**

There are no items for this matter.

**O. Approval of Board Committee Meeting Minutes**

O1 Legislative Committee

**P. Other Administrative Matters**

These items are scheduled for Wednesday, December 13, 2006.

**ANNOUNCEMENT OF CLOSED SESSION..... Mr. Evans**

**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 Pending Litigation: *County of Santa Clara, et al. v. State Board of Equalization* San Francisco Superior Court No. CPF-06-506789

Q3 Pending Litigation: *Furnitureland South, Inc. v. State Board of Equalization of the State of California*, Los Angeles County Superior Court Case No. BC340184

Q4 Discussion and action on personnel matters (Gov. Code, § 11126(a))

**ANNOUNCEMENT OF OPEN SESSION ..... Mr. Evans**

**ADJOURN** - The meeting will reconvene on Wednesday, December 13, 2006, at 9:00 a.m.

If you wish to receive this Notice and Agenda electronically, you can subscribe at [www.boe.ca.gov/agenda](http://www.boe.ca.gov/agenda).

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 Claudia Madrigal at (916) 324-8261, or e-mail [Claudia.Madrigal@boe.ca.gov](mailto:Claudia.Madrigal@boe.ca.gov) if you require special assistance.

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



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**STATE BOARD OF EQUALIZATION MEETING  
450 N Street, Room 121, Sacramento  
December 12-13, 2006  
NOTICE AND AGENDA**

**December 13, 2006**

**Board Meeting Reconvenes at 9:00 a.m.\*\***

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**BOARD MEETING**

**SPECIAL PRESENTATIONS**

Superior Accomplishment Award Program

**ORAL HEARINGS**

**A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS**

There are no items for this matter.

**B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS**

These items are scheduled for Tuesday, December 12, 2006.

**C. SALES AND USE TAX APPEALS HEARINGS**

These items are scheduled for Tuesday, December 12, 2006.

**D. SPECIAL TAXES APPEALS HEARINGS**

These items are scheduled for Tuesday, December 12, 2006.

**E. PROPERTY TAX APPEALS HEARINGS**

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

**Petitions for Reassessment of Unitary Value**

- E1. Advanced TelCom, Inc. (7813), 358829 – **“CF”**  
For Petitioner: Appearance Waived  
For Department: Dana Flanagan-McBeth, Tax Counsel
- E2. Sprint PCS (2720), 359330 – **“CF”**  
For Petitioner: Michael S. Heaton, Taxpayer  
Peter Hladek, Representative  
For Department: Dana Flanagan-McBeth, Tax Counsel
- E3. Cingular Wireless, LLC (2606), 358798 – **“CF”**  
For Petitioner: Liz Harrison, Taxpayer  
Eric J. Miethke, Attorney  
For Department: Mariam Baxley, Tax Counsel
- E4. La Paloma Generating Company, LLC (1112), 359530 – **“CF”**  
PETITION WITHDRAWN
- E5. Los Esteros Critical Energy Facility (1143), 358545 – **“CF”**  
For Petitioner: Appearance Waived  
For Department: Sam Chon, Tax Counsel
- E6.a. Metcalf Energy Center (1133), 358540 – **“CF”**  
E6.b. Pastoria Energy Facility (1131), 358544 – **“CF”**  
E6.c. Calpine Construction Finance Company (1132), 358542 – **“CF”**  
E6.d. Delta Energy Center, LLC (1128), 358541 – **“CF”**  
For Petitioner: Appearance Waived  
For Department: Sam Chon, Tax Counsel
- E7. Questar Southern Trails Pipeline Company (196), 358818 – **“CF”**  
For Petitioner: Peter Kotschedoff, Enrolled Agent  
For Department: Denise Riley, Tax Counsel

- E8. SureWest Televideo (7961), 358815 – “CF”  
 For Petitioner: Greg Chamberlain, Taxpayer  
 Peter W. Michaels, Representative  
 James H. Kane, Representative  
 Dorothy Radicevich, Representative  
 David Ryan, Representative  
 For Department: Richard Moon, Senior Tax Counsel
- E9. West Coast PCS (2745), 358816 – “CF”  
 For Petitioner: Greg Chamberlain, Taxpayer  
 Peter W. Michaels, Representative  
 James H. Kane, Representative  
 Dorothy Radicevich, Representative  
 David Ryan, Representative  
 For Department: Richard Moon, Senior Tax Counsel
- E10. U.S. Telepacific Corporation (7757), 358292 – “CF”  
 For Petitioner: Cleata Zelenka, Taxpayer  
 Peter Kotschedoff, Representative  
 For Department: Nancy Vedera, Senior Tax Counsel
- E11. Verizon California, Inc., (201), 358738 – “CF”  
 For Petitioner: Harry Sivess, Taxpayer  
 Peter Michaels, Attorney  
 For Department: Denise Riley, Tax Counsel
- E12. Southern California Edison Company (148), 359135 – “CF”  
 For Petitioner: Glenn Bridges, Taxpayer  
 Peter Hladek, Representative  
 Andrew Davis, Representative  
 For Department: Richard Moon, Senior Tax Counsel
- E13. Covad Communications Company (7706) 358128 – “CF”  
 For Petitioner: Peter Hladek, Representative  
 Andrew Davis, Representative  
 For Department: Nancy Vedera, Senior Tax Counsel

**H. TAX PROGRAM NONAPPEARANCE MATTERS – ADJUDICATORY**  
 (Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

- H8 Property Tax Matters ..... Mr. Gau**
- Petitions for Reassessment of Unitary Value
    1. SFPP, L.P. (461), 359201 – “CF”
    2. Duke Energy Morro Bay, LLC (1104), 358662 – “CF”
    3. OmniPoint Communications, Inc. (2748), 357202 – “CF”
    4. EWI Holdings, Inc. (8021), 358830 – “CF”
  - Petition for Penalty Abatement on Unitary Value
    5. Intermetro Communications, Inc. (8044), 359091 – “CF”

- Petition for Reassessment of Nonunitary Value
  6. Union Pacific Railroad Company (843), 373615 – “CF”
- Petition for Reassessment of Private Railroad Car Tax
  7. Cargill, Inc. (5834), 374377 – “CF”

#### **H10 Legal Appeals Property Tax Matters ..... Mr. Ambrose**

- Petitions for Reassessment of Unitary Value
  1. Advanced Tel, Inc. (7952), 358320 – “CF”
  2. Alpine PCS, Inc. (2746), 359199 – “CF”
  3. Broadwing Communications, LLC (7630), 359204 – “CF”
  4. Comcast Phone of California (7553), 359099 – “CF”
  5. Elk Hills Power, LLC (1126), 359139 – “CF”
  6. Level 3 Communications, LLC (7761), 359134 – “CF”
  7. Lodi Gas Storage, LLC (198), 359133 – “CF”  
Lodi Gas Storage, LLC (198), 358341 – “CF”
  8. Looking Glass Networks, Inc. (7861), 359083 – “CF”
  9. MetroPCS California, LLC (2733), 359138 – “CF”
  10. Mountain Utilities (185), 359202 – “CF”
  11. Pacific Gas & Electric Company (0135), 359205– “CF”
  12. San Diego Gas & Electric Company (141), 358723 – “CF”  
Southern California Gas Company (141), 358725 – “CF”
  13. Starvox Communications, Inc. (8050), 358139 – “CF”
  14. Telco Network Services, Inc. (7762), 359098 – “CF”
  15. Vartec Telecom, Inc. (2475), 359097 – “CF”
- Petition for Reassessment of Unitary Escaped Assessment
  16. Southern California Gas Company (149), 342132 – “CF”

### **I. TAX PROGRAM NONAPPEARANCE MATTERS**

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

#### **I1 Property Taxes Matters ..... Mr. Gau**

- Audits
  1. Wild Goose Storage, Inc., (195) “CF”
  2. 01 Communications, Inc., (7791) “CF”
- Unitary Land Escaped Assessments – “CF”
  3. (a) California Rural Service Area #1, Inc., (2671) - “CF”
  - (b) Metro PCS California/Florida, Inc., (2733) - “CF”
  - (c) Sprint Nextel Corporation (2737) - “CF”
  - (d) OmniPoint Communications, Inc., (2748) - “CF”
  - (e) Edge Wireless, LLC (2753) - “CF”
- Board Roll Changes
  4. 2003 State-Assessed Property Roll - “CF”

**ADMINISTRATIVE SESSION****P. Other Administrative Matters****P1 Executive Director's Report.....Mr. Hirsig**

Executive Director's opportunity to report on matters of interest to the Board.

1. Headquarters Windows Project Update
2. Timetable for Vacant CEA Positions
3. E-Filing Update
- ~~4. Status of KPMG Diagnostic Review Study and Discussion~~
- ~~5. Strategic Plan Status Report~~

**P2 Interagency Agreements Over \$1 Million ..... Ms. Johnson**

1. Department of Toxic Substances Control. This contract provides for Board of Equalization to administer the Hazardous Substances Tax Program for the Department of Toxic Substances Control.

**ORGANIZATION OF THE BOARD**

- The Board will vote to appoint an interim Chair and Vice Chair to be in effect until the first Board meeting in January 2007.

**ADJOURN**

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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](mailto:Claudia.Madrigal@boe.ca.gov) if you require special assistance.

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