



STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA, 95814
(PO BOX 942879, SACRAMENTO, CA 94279-0081
916-322-2270 • FAX 916-324-3984
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Acting Member
First District, San Francisco

BILL LEONARD
Second District, Sacramento/Ontario

CLAUDE PARRISH
Third District, Long Beach

JOHN CHIANG
Fourth District, Los Angeles

STEVE WESTLY
State Controller, Sacramento

RAMON J. HIRSIG
Executive Director

**STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
May 24 – 25, 2005
NOTICE AND AGENDA**

Tuesday May 24, 2005

Agenda items occur sequentially. When circumstances warrant, the Chair may modify the order of the items on the agenda.

BOARD COMMITTEE MEETINGS* (convene at 9:30 a.m.)

**CUSTOMER SERVICES AND ADMINISTRATIVE.....Mr. Leonard, Chair
EFFICIENCY COMMITTEE**

- 1. Petition to amend the Rules of Practice - Recommended policies regarding: (1) additional time for oral hearings; (2) Board agendas; and (3) Board opinions.

PROPERTY TAX COMMITTEE..... Mr. Parrish, Chair

- 1. Proposed adoption of *Guidelines for the Assessment of Historical Properties*

BOARD MEETING (convenes upon adjournment of the Board Committee Meetings)**

ORAL HEARINGS

**A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARING
(Contribution Disclosure forms required pursuant to Govt. Code § 15626)**

- A1 Ida Hunter-Lawton, 281312
For Claimant: Ida Hunter-Lawton, Taxpayer
For Franchise Tax Board: Suzanne Small, Tax Counsel

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS

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

B1 Carl J. Lenander, III and Charlotte A. Lenander (Wise), 268514
For Claimant: Carl J. Lenander III, Taxpayer
Charlotte A. Lenander (Wise), Taxpayer
For Franchise Tax Board: Suzanne Small, Tax Counsel

B2 Joseph R. Banister, 262916
For Appellant: Leo Masters, Attorney-in-Fact
Joseph R. Banister, Taxpayer
For Franchise Tax Board: Andrew O'Boyle, Tax Counsel

C. SALES AND USE TAX APPEALS HEARINGS

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

C1a Modern Mold International, Inc., 46790, 151920
C1b Internet Design Technologies, LLC, 104735, 202260
For Claimant: Dave Murphy, Taxpayer
Harold Hoch, Taxpayer
Sandra L. Schaper, CPA
Ernest J. Dronenburg, Jr., CPA
For Department: Sharon Jarvis, Tax Counsel

C2 Nortel Networks, Inc., 140851, 150425
For Petitioner: Suzanne Beaudelaire, CPA
Jeffrey G. Varga, Attorney
For Department: Randy Ferris, Tax Counsel

BOARD MEETING (convenes at 1:30 p.m.)**

BOARD MEMBER ANNUAL PHOTOGRAPH

STATE-ASSESSED PROPERTIES VALUE SETTING



Property Tax Matter - "CF" Mr. Siu

Board sets unitary values of state-assessed properties annually, on or before May 31. The Board is required to value and assess all the taxable property within the state that is to be assessed by it, pursuant to section 19 of Article XIII of the Constitution and any legislative authorization thereunder.

C. SALES AND USE TAX APPEALS HEARINGS*(Contribution Disclosure forms required pursuant to Govt. Code § 15626)*~~C3 M C Y III Corporation, 218314~~

~~For Petitioner: Marty Dakessian, Attorney
David Moylan, Taxpayer
For Department: Randy Ferris, Tax Counsel~~

C4 International Investment Properties, Inc., 144677

For Petitioner: Dale Grewal, Taxpayer
V.S. Grewal, CPA

For Department: Kevin Hanks, Hearing Representative

C5 George Robert Woltring and Carol Lynn Woltring, 215707

For Petitioner: George Robert Woltring, Taxpayer
Dennis S. Kaneshiro, CPA

For Department: Randy Ferris, Tax Counsel

~~C6 Fireside Corkwood, Inc., 252969~~

~~For Petitioner: Peter J. Jouganatos, Taxpayer
Robert S. Jouganatos, Taxpayer
For Department: Kevin Hanks, Hearing Representative~~

C7 Telmax Communications Corporation, 250368

For Petitioner: Nai-Yu Pai, CPA

For Department: Kevin Hanks, Hearing Representative

C8 Janet Elsner (aka, Janet Pearle), 205069

For Claimant: Janet Elsner (Pearle), Taxpayer
Nicholas Stameroff, CPA
David Gilliam, Representative

For Department: Sharon Jarvis, Tax Counsel

F. PUBLIC HEARING**F1 Proposed Amendments to Regulation 1698, Records.....Ms. Jarvis**

Proposed amendments to Regulation 1698, Records, will require taxpayers participating in the Tax Amnesty Program to retain records for at least ten years. The regulation language is also updated to the current correct usage of capitalized words.

ADJOURN

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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. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

If substantial revisions to the published text of the regulations are approved at the hearing, the regulations will be re-published for a new hearing date. If only revisions sufficiently related to the published text of the regulations are approved, a notice containing these revisions will be mailed to those persons who commented orally or in writing or who asked to be informed of such revisions. The notice will be mailed at least 15 days prior to the scheduled Board adoption of the regulations to allow time for additional comments.

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.

Agenda items occur sequentially. When circumstances warrant, the Chair may modify the order of items as they appear on the agenda. The hearing location is accessible to the disabled. If you require special assistance, please contact Gary Evans at (916) 445-4394, or e-mail Gary.Evans@boe.ca.gov, to make special arrangements.



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STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
May 24 – 25, 2005
NOTICE AND AGENDA

Wednesday, May 25, 2005

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BOARD MEETING* (convenes at 9:30 a.m.)

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

G1 Legal Appeals Matters Mr. Smith

- Petitions for Rehearing
 1. D & G Marine, Inc., 82414, 207531, 90009
Doug Bombard Enterprises, Inc., 240445
- Hearing Notices Sent – No Response
 2. Quetel Corporation, 191205
 3. Film for Humanities & Sciences, 154632
- Petitions for Release of Seized Property
 4. Atef Hanna Abdou, 298906
 5. Chantha Thong, 298913
 6. Rehab M. Beaizak, 301718
 7. Raif Badwan, 298749
 8. Kin Sun Market, Inc., 301455

G2 Franchise and Income Tax Matters Mr. Schreiter

- Decisions
 1. BML Inc./Bayview Mortuary, 267567
 2. James A. Black, 269708
 3. John Buerger, 262871, 252219
 4. Robert S. and Mariellen Burger, 287479
 5. Louie Calles, 283984
 6. Debra K. Carroll, 272602
 7. Albert A. Cristaldo, 267651
 8. James Davidson, 258812

9. Chandrashekhar Deshpande, 260998
10. Paul D. and Lida Dlugie, 273273
11. Shaun Earl, 265365
12. Stephen and Cynthia Kirby, 261090
13. O. Jeffrey Owen, 266228
14. Kia Saidi and Mina Hossaini, 281753
- Petitions for Rehearing
15. Hal and Lesley Sandler, 251044
16. Paul W. and Peng N. Van Etten, 257679

G3 Homeowner and Renter Property Tax Assistance Matters Mr. Schreiter

- Decisions
1. Freddie Akins, 283612
2. R. W. Arthur, 288923
3. Ammie Berridge, 288969
4. Debra L. Bradley, 287012
5. Mai Bui, 288925
6. Kathryn L. Bullock, 288915
7. Flora M. Busch, 287111
8. Alice M. Elfman (Deceased), 281980
9. Joisenatta Foster, 283707
10. Irene A. Henderson, 283775
11. Carl Indvik, 268780
12. Suzan Kose, 260548
13. Helen Luong, 284050
14. Grace Mackey, 294988
15. Oliver Matthews, 282733
16. Alan Craig McDowell, 288511
17. Stella Flora Mercado, 283240
18. Robin A. Ngou, 284090
19. Nellie M. Stephens, 284186
20. Osie B. Surles, 288616
21. Mai Tran, 285948
- Petition for Rehearing
22. Lam Minh Le, 253615

G4 Sales and Use Taxes Matters Ms. Henry

- Redeterminations
1. Comp USA, Inc., 234479
2. Finova Technology Finance, Inc., 128862
3. Union Switch & Signal, Inc., 197990
4. Stephen Lee, 217319
5. Valerie Ann Tashjian, 293081
6. Bruker Daltonics, Inc., 261990
7. The Gillette Company, 254075
8. AEC One Stop Group, Inc., 209555
9. The Perkin-Elmer Corporation, 250031
10. CompUSA Stores, LP, 235176

- Relief of Penalty
 11. Stock Building Supply of California, Inc., 304537
 12. Arizona Tile, LLC, 304533
- Denials of Claims for Refund
 13. Farla Binder, 215671
 14. Universal Forms, Labels & Systems, 259705
 15. File Net Corporation, 303744
 16. Xilinx, Inc., 305033
 17. Powell Electrical Manufacturing Company, 281764
 18. Auto One Acceptance Corporation, 299292
 19. Triangle Systems, Inc., 206927
 20. ExxonMobil Oil Corporation, 290244
 21. Teradyne, Inc., 212947
 22. C.D.T. Inc., 91190
 23. Selbert Perkins Design, 37323

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

- Credits and Cancellations
 1. One Step Ahead Productions, Inc., 304805
 2. Jose Arellio Ponce, 303871, 303873
 3. Grand Ivy, Inc., 173513
 4. Food Service Supplies, Inc., 289580, 300143
 5. Redback Networks, Inc., 300928
 6. James Ray Hart, 304312
- Refunds
 7. Arnold J. Goldman, 304968
 8. Nissan Motor Acceptance Corporation, 265248
 9. Imagic, 240599
 10. El Camino Resources, Ltd., 304754
 11. Putzmeister, Inc., 192488
 12. Tularik, Inc., 239628
 13. Portola Packaging, Inc., 190715
 14. Porex Medical Products, Inc., 174614
 15. File Net Corporation, 187574
 16. Kyocera Industrial Ceramics Corporation, 265081
 17. Xilinx, Inc., 287196
 18. The Golden 1 Credit Union, 297574
 19. Scholle Corporation, 295662
 20. Epsilon Trading, Inc., 294794
 21. Krueger International, Inc., 286296
 22. Ford Motor Company, 303345
 23. Financial Partners Credit Union, 254862
 24. Insurance Company of the West, 256366
 25. Auto One Acceptance Corporation, 299265
 26. Calabasas BCD, Inc., 27465
 27. Proquire, LLC, 303700
 28. Donald L. Mendel, Jr., 262551

29. Chick-Fil-A, Inc., 262558
30. Sitesmith, Inc., 243932
31. Sonnentag Desgin Group, Inc., 244201
32. Avalonbay Communities, Inc., 301150
33. Nestle USA, Inc., 220499
34. Delta Air Lines, Inc., 294790
35. Travis Credit Union, 296982
36. Wescom Credit Union, 300274
37. Party City Corporation, 239635
38. C S Business Systems, Inc., 296993
39. Lobel Financial Corporation, 297577
40. Rockwell Automation, Inc., 282914
41. Toyota Motor Manufacturing, California, Inc., 300607
42. American Investment Bank, N.A., 259396
43. Challenge Financial Services, Inc., 297579
44. Heritage Community Credit Union, 297816

G6 Special Taxes Matters Mr. Gau

- Redetermination
 1. Guardian Life Insurance Company of America, 89000894960 – “CF”
- Relief of Penalty
 2. Preferred Professional Insurance, 305565 – “CF”

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

- Refunds
 1. Equilon Enterprises, LLC, 253577
 2. Ultramar, Inc., 286678, 286904
 3. Core-Mark International, Inc., 297942
 4. Bel Air Mart, 299701
 5. United Services Auto Association, 285869 – “CF”

G8 Property Tax Matters Mr. Gau

- Petitions for Reassessment and Penalty Abatement of Unitary Escape Assessment
 1. Cox Communications, PCS, L.P., 253330 – “CF”
 2. Sprint Spectrum L.P., 253404 – “CF”

G9 Cigarette License Fee Matters

THERE ARE NO ITEMS FOR THIS MATTER

H. TAX PROGRAM NONAPPEARANCE MATTERS – ADJUDICATORY

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

H1 Legal Appeals Matters Mr. Smith

- Petition for Rehearing
 1. Bosch Auto Center, Inc., 150660

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

- Decision
 1. Azer B. Dautz, 263189

H3 Homeowner and Renter Property Tax Assistance Matters
*THERE ARE NO ITEMS FOR THIS MATTER***H4 Sales and Use Taxes Matters**
*THERE ARE NO ITEMS FOR THIS MATTER***H5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds..... Ms. Henry**

- Credit and Cancellation
 1. Suzanne Lee Roberts, 304963

H6 Special Taxes Matters
*THERE ARE NO ITEMS FOR THIS MATTER***H7 Special Taxes Matters – Credits, Cancellations, and Refunds**
*THERE ARE NO ITEMS FOR THIS MATTER***H8 Property Tax Matters**
*THERE ARE NO ITEMS FOR THIS MATTER***H9 Cigarette License Fee Matters..... Mr. Smith**

- Revocations Upheld
 1. Eid H. Abdel, 299028
 2. Nhut Si Minh Luu, 300501
 - ~~3. Robert Stephen Jackson, 305219~~

I. TAX PROGRAM NONAPPEARANCE MATTERS*(Contribution Disclosure forms not required pursuant to Govt. Code § 15626)***I1 Property Taxes Matters..... Mr. Gau**

- Audits
 1. Southwest Gas Corporation, (152) – “CF”
 2. Alpine PCS, Inc. (2746) – “CF”
- Private Railroad Car Tax Refunds
 3. Kennecott Utah Copper Corporation (611) – “CF”
 - U.S. Borax, Inc. (6132) – “CF”

I2 Offers-in-Compromise RecommendationsMs. Ograd

1. Ernest L. Adamakis
2. Wageh Daoud Ishak
3. Steven Kwanghan Yoo
4. Fred Halpert
5. George P. Bacich



dcaa30
C6 Fireside-Corkwood, Inc., 252969
For Petitioner: Peter J. Jouganatos,
Taxpayer
Robert S. Jouganatos, Taxpayer
For Department: Kevin Hanks,
Hearing Representative

O. Approval of Board Committee Minutes

- O1 Customer Services and Administrative Efficiency Committee
- O2 Property Tax Committee

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. Status of Alternative Cigarette Tax Stamp Project
- 2. Status of Electronic Waste Program 
- 3. [Pro Bono Legal Assistance Program](#)

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

Q. Closed Session

- Q1 Discussion and approval of staff recommendations regarding settlement cases (R&T Code § 6901, 7093.5, 30459.1 and 50156.11)
- Q2 Potential litigation: *Richards, SEC., KS Dept. of Revenue v. Prairie Band Potawatomi Nation*, Supreme Court Number 04-631 (Govt. Code § 11126(e))
- Q3 Discussion and action on personnel matters (Govt. Code § 11126(a))

OPEN SESSION

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