



State Board of Equalization

# News Release

**Barbara Alby, Acting Member**

**2<sup>nd</sup> District – Sacramento**

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## **Alby Opposes Bill Creating Double Jeopardy for Taxpayers**

(Sacramento)--- Board of Equalization Acting Member Barbara Alby is urging legislators to reject Senate Bill 1113 (Wolk), which would allow the Franchise Tax Board (FTB) to sue taxpayers who have won their administrative appeals.

"With this bad bill, taxpayers who have won a Board of Equalization appeal could be sued by the Franchise Tax Board in Superior Court — and these taxpayers would have the burden of proof again, even though they already met that burden in their prior appeal. If the FTB lost again, it would be free to appeal over and over again because, unlike taxpayers, the FTB is not subject to the frivolous appeal penalty. This redundant process essentially creates 'double jeopardy' for taxpayers," said Alby.

"I am especially concerned by the likelihood of unequal treatment, unjust outcomes, and inconsistent decisions. Under current law, the Board of Equalization creates a single *statewide* interpretation of the income tax rules. Under SB 1113, judges in each of the 58 counties would create separate interpretations of the law and they would not be required to abide by the published decisions of the Board of Equalization, not even in cases with identical laws and identical facts that the FTB did not appeal," Alby said.

Alby also noted that it can already take a decade for income tax returns to be audited, for taxpayer protests to be resolved by the Franchise Tax Board, and for the Board of Equalization to rule on appeals. SB 1113 could take that time up to 20 years.

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