

Environmental Fees

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1 New legislation goes into effect

Every fall, we review the newly enacted legislation and summarize for you the most significant changes in environmental fee law. The following bills went into effect on January 1, 2002, unless otherwise noted.

Assembly Bill 1259 (Stats. 2001, ch. 461). Suspension and renewals of facility permits. Requires the Department of Toxic Substances Control (DTSC) to suspend the permit of any hazardous waste facility that does not pay specified fees or that fails to pay penalties imposed by an administrative hearing officer or trial court judge for a violation of hazardous waste control laws or regulations. Authorizes DTSC to deny issuance of a new permit or the renewal of an existing permit on the same grounds. Requires DTSC to follow specific procedures before suspending a permit.

Senate Bill 271 (Stats. 2001, ch. 319). Milk-run waste transporters, manifests, and responsibility for the generator fee. Modifies the requirements for manifests used in transporting hazardous wastes produced by small-quantity generators and collected by “milk-run” transporters. (Milk-run transporters move from generator to generator to pick up small quantities of specified hazardous waste such as spent photographic solutions, used antifreeze, dry cleaning and auto parts cleaning solvents, printer’s ink, and school district chemicals, and haul them to an authorized facility. The transporter is listed as the generator on the manifest.)

Establishes a “consolidated manifest” system to replace the current “modified manifest” system. Specifies which wastes may be transported using the consolidated manifesting procedure, as well as conditions that must be met. Requires transporters that use consolidated manifests to submit quarterly reports to DTSC 30 days after the end of each calendar quarter, with the first report due on October 31, 2002.

Please note: The original hazardous waste generator remains liable for any generator fees related to the transported waste. If you generate an amount equal to or more than five tons of hazardous waste in a calendar year, you owe a fee and should register with us in order to receive hazardous waste generator fee returns (see Contact Information on page 3).

Senate Bill 1185 (Stats. 2001, ch. 543). Date change for hazardous waste generator refund claims. Postpones from March 31st to September 30th the due date for filing claims for partial refunds of generator fees. Beginning in 2002, we

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will mail refund claim forms to generators after June 30 each year *only* if the DTSC has funds available for previous calendar year refunds.

For copies of bills

For the full text of these and other bills, write: Legislative Bill Room; State Capitol, Room B-32 Sacramento, CA 95814, or check the Internet: www.leginfo.ca.gov/bilinfo.html (see the “chaptered” version). The Bill Room does not handle Board of Equalization publications or forms (see Contact Information on page 3).

2 Avoid the late filing penalty—file your return form on time

You’re probably aware that there is a penalty for paying your taxes or fees late. But did you know that you may owe a 10 percent penalty if you file your tax or fee *return form* after the due date? The penalty for filing your form late is based on the total amount of tax or fees due for the return period and applies even if you pay your tax or fees on time. If your return form and payment are both late, only one 10 percent penalty will apply.

3 Is your corporation subject to the environmental fee?

Corporations authorized to do business in California, including nonprofit corporations, “S” corporations, and out-of-state corporations, must register with us and file environmental fee returns if they employ at least 50 employees who each work more than 500 hours in this state during the calendar year. Corporations with fewer than 50 qualifying employees are not required to register and pay the fee.

Employee resource companies

Employee resource companies who provide staffing for the benefit of others have asked this question related to workers they place with other corporations—who is the employer for purposes of the environmental fee? In general, the party who is the employer based on a contract or the law is also considered the employer for the environmental fee.

Example: You are a temporary employment agency whose contracts with customers specify that you are the employer of workers you place with them. You pay the workers’ wages and handle their payroll taxes. Those workers count as your employees and their hours of work in California would be considered in determining whether your agency is subject to the environmental fee.

We are developing a regulation that will clarify the application of the environmental fee to this type of staffing corporation. If you have any related questions or would like to be included on the interested parties mailing list for the development of this regulation, please contact us at 916-323-9555.

4 Submit your partnership agreement when you register

When you register your partnership for a new account, you should provide a copy of your written partnership agreement, if one exists. If you file a copy of your agreement with the Board *at the time you register* and your agreement specifies that all business assets are held in the name of the partnership, the law requires us to attempt to collect any delinquent tax liability from the partnership assets before we attempt to collect from the partners’ personal assets. Be sure to notify us immediately if you add or drop partners.

5 Would you like us to mail your returns to your accountant?

We can mail your tax or fee returns to your accountant provided that person is authorized to receive returns for at least five Board accounts. To request this service, please complete form BOE-91, *Authorization to Send Tax Returns to Other Than the Taxpayer*. You can obtain a copy by calling our Information Center at 800-400-7115. We will continue to mail your other account-related correspondence to your address of record.

Attention generators: If you made a generator fee prepayment in August 2001, please remember to take a credit on your generator fee return!

6 Policy regarding employee solicitation or acceptance of gifts

It is against Board policy for an employee to solicit or accept—either directly or indirectly—any gift, favor, entertainment, or any other thing of monetary value from a person who the employee knows or has reason to believe

- Has, or is seeking to obtain, contractual or other business or financial relations with the Board of Equalization; or
- Conducts business or other activities that are monitored by the Board, under circumstances from which it reasonably could be substantiated that the gift was intended to influence the employee in his or her official actions or was intended as a reward for any official actions performed by the employee.

If a Board employee violates this policy, it should be reported to Ms. Darlene Allen, Chief, Internal Security and Audit Division. Call 916-445-2918.

7 Safety of Board employees

Paying taxes seldom comes under the category of “pleasurable things to do.” Yet despite looming deadlines and detailed legal requirements, most people make an effort to carry out their responsibilities calmly and without much friction.

Unfortunately, this is not always the case. Sometimes Board employees are threatened with physical harm. We take all such threats seriously—whether they are made in jest or with serious intent. Employees have a right to feel safe and secure in their jobs. Because of this, it is the Board’s policy that threats to staff be reported to management and if necessary, to law enforcement personnel for further action.

There are many administrative procedures in place for resolving disputes and complaints. Taxpayers are encouraged to take full advantage of those procedures.

For more information on your rights as a taxpayer, please call our Information Center and request a copy of publication 70, *The California Taxpayer’s Bill of Rights*. If you have a problem you have been unable to resolve through normal channels, you can contact the Taxpayers’ Rights Advocate at 888-324-2798.

8 Get this newsletter twice a year

We publish this newsletter in January and July. If you file tax or fee returns once a year, you receive only the issue mailed with your return. If you would like to receive both issues, you may ask to be added to the newsletter mailing list. Please write or call our Environmental Fees Division.

Contact Information

Board of Equalization

Environmental Fees Division

Environmental Fees Division, MIC:57
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0057
916-323-9555

Internet: www.boe.ca.gov

Information Center

Call anytime to use our automated faxback service or to order a form, regulation, or publication. Center staff can help you weekdays from 8-5 (except State holidays):
800-400-7115

TDD assistance for the hearing impaired
800-735-2929 (from TDD phone)
800-735-2922 (from voice phone)

Taxpayers’ Rights Advocate

Call the Board of Equalization’s Taxpayers’ Rights Advocate’s Office if you need help with a problem that you have been unable to resolve at other levels:

888-324-2798 (toll-free)

Tax Evasion Hotline

888-334-3300 (toll-free)

Department of Toxic Substances Control (DTSC)

Telephone: 800-61TOXIC
(800-618-6942)

Internet: www.dtsc.ca.gov

US Environmental Protection Agency (EPA)

Telephone: 415-495-8895

9 New hazardous substances fee rates

The Health and Safety Code provides for an annual adjustment of the rates for the disposal fee, facility fee, generator fee, tiered permit fee, environmental fee, and occupational lead poisoning prevention fee, based on changes in the cost of living as measured by the California Consumer Price Index. The following tables show the adjusted hazardous substances fee rates for calendar year 2002 and the 2001 rate for the occupational lead poisoning prevention fee.

DISPOSAL FEE Base rate \$99.73		FACILITY FEE Base rate \$23,117		
CATEGORY	2002 FEE RATE (PER TON)	CATEGORY	2002 FEE (PER FACILITY)	
NonRCRA hazardous waste	\$ 16.27	Disposal	\$ 231,170	
—generated in a cleanup action	5.72	Large Onsite Treatment	69,351	
RCRA waste	40.29	Large Offsite Treatment	69,351	
—generated in a cleanup action and		Small Treatment	46,234	
treated to be nonRCRA or nonhazardous	5.72	Mini Treatment	11,559	
—treated to be nonRCRA or nonhazardous	16.27	Large Storage	46,234	
Mining waste	12.96	Small Storage	23,117	
Extremely hazardous waste	199.46	Mini Storage	5,779	
Restricted hazardous waste	199.46	Postclosure < 5 years		
Solid waste residues resulting		Small	5,725*	
from incineration or dechlorination	4.99	Medium	11,450*	
		Large	17,175*	
		Postclosure > 5 years		
		Small	3,050*	
		Medium	6,100*	
		Large	10,300*	
		Standardized		
		Series A	11,730	
		Series B	5,497	
		Series C	4,617	
		Series C small quantity	2,308	
		*Postclosure fees due are 50% of those shown if lead agency is not DTSC		
GENERATOR FEE Base rate \$3,215		TIERED PERMIT FEE		
WASTE GENERATED	2002 FEE RATE	PERMIT TYPE	2002 FEE	
5 – 24.9 tons	\$ 161	Permit-by-Rule (Facility and TTU)	\$ 1,121	
25 – 49.9 tons	1,286	Conditional Authorization	1,121	
50 – 249.9 tons	3,215	Conditional Exemption	38	
250 – 499.9 tons	16,075	Commercial Laundry	38	
500 – 999.9 tons	32,150			
1,000 – 1,999.9 tons	48,225			
2,000 or more tons	64,300			
ENVIRONMENTAL FEE		OCCUPATIONAL LEAD POISONING PREVENTION FEE		
NUMBER OF EMPLOYEES	2002 FEE	NUMBER OF EMPLOYEES	2001 FEE CATEGORY A	2001 FEE CATEGORY B
1 – 49	\$ 0	10 – 99	\$ 232	\$ 332
50 – 74	228	100 – 499	464	927
75 – 99	401	500 or more	1,158	2,652
100 – 249	801			
250 – 499	1,717			
500 – 999	3,205			
1,000 or more	10,877			