

Environmental Fees

Semiannual
Issue
July 2001

Board Members

Johan Klehs
First District
Hayward

Dean Andal
Second District
Stockton

Claude Parrish
Third District
Torrance

John Chiang
Fourth District
Los Angeles

Kathleen Connell
State Controller
Sacramento

Executive Director
James E. Speed

Contents

1. Generator fee prepayment due August 31
 2. Fees to increase for disposal of recyclable hazardous waste
 3. New program funds brownfield investigation and cleanup
 4. Electronic funds transfer (EFT) now mandatory for certain accounts
 5. Are you paying the generator fee for your *facility*?
 6. Point of taxation to change under revamped Motor Vehicle Fuel License Tax Law
 7. New publication explains tax collection procedures
 8. Share your concerns – annual Taxpayers' Bill of Rights hearings
 9. Is your corporation subject to the environmental fee?
 10. Get it in writing!
 11. Help us help you
- Contact information . . . page 3

1 Generator fee prepayment due August 31

Your 2001 generator fee prepayments are due on or before August 31. If you are required to file a 2001 prepayment, be sure to keep a record of the payment so that you can claim it on your 2001 generator fee return (due February 28, 2002).

While you're recording your prepayment, you might want to check your records to see if you claimed your 2000 generator fee prepayment on your 2000 return. If you didn't, you can file a claim for refund by writing us at the address shown on page 3. Please be sure to include your account name and number and the amount and date of your prepayment.

Reminder: If you have stopped generating hazardous waste, or if you are consistently generating less than five tons of waste in a calendar year, you are not required to pay the generator fee. When you file your generator fee return next February, please attach a written request asking us to close your account. Or, if you're not required to pay the fee for 2001, you can send a separate request now (see contact information on page 3). Be sure to state why your account should be closed.

2 Fees to increase for disposal of recyclable hazardous waste

Currently, hazardous waste generators who dispose of recyclable hazardous wastes may be required to pay twice the normal disposal fee if the Department of Toxic Substances Control (DTSC) finds that recycling the waste was technologically and economically feasible. Recyclable wastes are listed in section 66266.2 of the California Code of Regulations (see www.oal.ca.gov). The DTSC is developing regulations to implement this statute and must update the list of recyclable wastes by January 1, 2002. After the list is updated, the fee for disposing of listed recyclable wastes may be as high as *five times* the regular disposal fee. If you are generating hazardous waste, you should be sure to check the updated list so that you can recycle listed wastes and avoid paying the higher disposal fee. For information on pending DTSC regulations, see www.dtsc.ca.gov/docs/current.html.

Published
by the
Environmental
Fees Division

California
State Board of
Equalization

450 N Street
MIC:57
P.O. Box
942879
Sacramento, CA
94279-0057



3 New program funds brownfield investigation and cleanup

The state has launched a new \$85 million, low-interest loan program for identification and cleanup of brownfields (contaminated urban sites). The Cleanup Loans and Environmental Assistance to Neighborhoods (CLEAN) program is intended to help property owners, developers, local governments, and nonprofit organizations accelerate the pace of brownfield cleanup and redevelopment. Loans of up to \$100,000 are available to finance site investigations, and loans of up to \$2.5 million can be made for the actual cleanup and removal of hazardous materials. The CLEAN program is administered by the Department of Toxic Substances Control. For more information, call (916) 324-0706 or e-mail loans@dtsc.ca.gov.

4 Electronic funds transfer (EFT) now mandatory for certain accounts

As noted in our last newsletter, you must now make your hazardous waste fee payments by electronic funds transfer (EFT) if the average monthly fee liability for your account is at least \$20,000. This requirement applies to prepayments as well as regular payments and went into effect on February 1, 2001. It was mandated by Assembly Bill 2894 (Stats. 2000, ch. 923). EFT filers must continue to file paper returns by the due date or be subject to a ten percent penalty.

If you are not required to pay by EFT but would like to do so, please contact the Special Taxes Division that administers your tax or fee program. Call weekdays between 8 a.m. and 5 p.m. to obtain an application.

- Environmental Fees
Division: (916) 322-9534
- Excise Taxes Division: (916) 327-4208
- Fuel Taxes Division: (916) 322-9669

5 Are you paying the generator fee for your facility?

For purposes of the hazardous waste facility and generator fees, a *facility* is any unit or other structure, and all contiguous land, used to treat, store, dispose of, or recycle

hazardous waste under a permit or grant of interim status issued by the DTSC. If you pay the hazardous waste facility fee for a facility, you are not required to pay the hazardous waste generator fee for that site.

If you operate a permitted facility and have been paying the generator fee, please contact us. We will review your account and let you know how to pursue a possible refund.

For more information, contact the Environmental Fees Division (see box next page).

6 Point of taxation to change under revamped Motor Vehicle Fuel License Tax Law

Under legislation passed last year (Assembly Bill 2114; Stats. 2000, ch. 1053) the point of tax collection for the Motor Vehicle Fuel License Tax will be moved from the first distribution level to the refinery or terminal rack level. This change conforms the Motor Vehicle Fuel License Tax Law to the state Diesel Fuel Tax Law and federal fuel tax law. The bill also adds definitions and exemptions that parallel those in the state diesel and federal fuel tax laws. The changes go into effect on January 1, 2002. If you have questions regarding the law change, please contact our Fuel Taxes Division at (916) 322-9669.

7 New publication explains tax collection procedures

Tax professionals and taxpayers alike can benefit from reading our new publication 54, *Tax Collection Procedures*. In addition to providing information on the steps we may take if a tax billing isn't paid on time (such as issuing liens and levies), the publication also discusses payment options, including installment payment agreements. If you are unable to pay a tax bill on time, we strongly suggest that you contact us to discuss payment options. Finding a way to pay your tax liability can help you avoid harsh collection actions.

To have a copy of publication 54 mailed to you, call our Information Center at 1-800-400-7115. You can also download a copy from our Internet site: www.boe.ca.gov.

8 Share your concerns – annual Taxpayers' Bill of Rights hearings

Do you have a suggestion regarding how we could improve our services? Would you like us to look more closely at a tax or fee issue? Please consider presenting your ideas to the Members of the Board. Each year, the Members hold public hearings to give taxpayers, tax professionals, and other interested parties the opportunity to comment on the tax and fee programs we administer.

Although you do not need to be scheduled in advance to speak at a hearing, it helps us prepare if you contact us beforehand to let us know your topic. If your proposal is complex or extensive, we encourage you to submit written information in advance and then summarize it in your oral presentation.

Culver City

Business and property taxes hearing
Wednesday, November 7, 1:30 p.m.
Board of Equalization District Office
5901 Green Valley Circle, Suite 207

Sacramento

Business taxes hearing
Wednesday, November 28, 2:00 p.m.
Board of Equalization Headquarters
450 N Street, 1st Floor Board Room

Property taxes hearing
Thursday, December 20, 2:00 p.m.
Board of Equalization Headquarters
450 N Street, 1st Floor Board Room

To notify us of a topic you wish to discuss or send written material in advance, please contact:

Taxpayers' Rights Advocate, MIC:70
State Board of Equalization
P. O. Box 942879
Sacramento, CA 94279-0070
Toll-free phone: (888) 324-2798
Fax: (916)323-3319

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):

1-800-400-7115

TDD assistance for the hearing impaired

1-800-735-2929 (from TDD phone)

1-800-735-2922 (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:

1-888-324-2798 (toll-free)

Tax Evasion Hotline

1-888-334-3300 (toll-free)

Department of Toxic Substances Control (DTSC)

Telephone: 1-800-61TOXIC
(1-800-618-6942)

Internet: www.dtsc.ca.gov

US Environmental Protection Agency (EPA)

Telephone: (415) 495-8895

***Do you have an underground tank used to store petroleum products?
You may need to register for the underground storage tank maintenance fee
program. Interest and penalties apply to unpaid fees.***

For more information, call our Fuel Taxes Division at (916) 322-9669.

9 Is your corporation subject to the environmental fee?

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

The environmental fee, administered by the Board on behalf of the Department of Toxic Substances Control, is used to fund the Site Mitigation Program that cleans up contaminated sites in the state. The annual fee is due to us on or before the last day of February for the previous calendar year and is based on the number of qualifying employees.

For more information and to register your corporation, call the Environmental Fees Division at (916) 323-9555 or write to the address shown on page 3. More information on the environmental fee is found in publication 90, *Environmental Fee*, available from our Information Center (see previous page) or on our Web site: www.boe.ca.gov.

10 Get it in writing!

Each year we receive many telephone calls and e-mails from businesses needing help with their tax and fee questions. While we are glad to provide help and guidance over the phone or by e-mail, please remember that it's always best to get tax advice in writing.

Why? It's simple: you may be relieved of tax, penalty, or interest charges if we determine you did not correctly report or pay all of your fees or taxes because you reasonably relied on our specific written advice. This relief is not available for advice given over the telephone, by e-mail, or in person.

For the relief to apply, our staff must have provided the advice in response to a written request from you that fully described the specific facts and circumstances of your activities or transactions. To ensure that we fully understand your situation, it's a good idea to include with your letter copies of representative documents for your business transactions, such as your hazardous waste analyses, contracts, and manifests.

11 Help us help you

When you contact us in writing about a tax question, petition for redetermination, or claim for refund, please help us answer quickly by making sure your letter includes basic information such as the tax program, your account number, the amount of the dispute, and the years in question.

We receive, open, analyze, and route thousands of pieces of mail every day. Providing basic information in your correspondence will help ensure that we properly route your letter and the correct department responds to your inquiry without delay. We acknowledge most correspondence within 12 working days of receipt.