

Environmental Fees

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July 2002

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1 Share your concerns—Annual Taxpayers' Bill of Rights Hearings

Each year, the Board holds public hearings to give taxpayers, tax professionals, and other interested parties the opportunity to comment on the tax and fee programs we administer. If you would like to suggest ways to improve our services, or if you want us to look more closely at a tax or fee issue, please consider presenting your ideas at these hearings.

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

Culver City—Business and Property Taxes Hearing

Tuesday, August 20, 1:30 p.m.
Board of Equalization District Office
5901 Green Valley Circle, Suite 207



Sacramento—Business and Property Taxes Hearing

Thursday, October 3, 1:30 p.m.
Board of Equalization Headquarters
450 N Street, 1st Floor Board Room

To notify us of a topic you wish to discuss or to 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



2 Hazardous waste submitted on out-of-state manifest is subject to the Hazardous Waste Generator Fee.

Do you dispose of your hazardous waste outside the borders of California? Waste generated in California and transported out of the state using either an out-of-state manifest or a California manifest is subject to the Hazardous Waste Generator Fee. If you are a generator using an out-of-state manifest, it is your responsibility to submit a copy of the manifest to the California Department of Toxic Substances Control (DTSC) within 30 days of transporting your hazardous waste, according to Health and Safety Code Section 25160. Out-of-state manifests may be sent to the DTSC at P.O. Box 3000, Sacramento, CA 95812.

The Hazardous Waste Generator Fee is a self-reported fee. To ensure compliance, the DTSC accumulates the hazardous waste totals that are manifested by each generator at the various hazardous waste facilities. The Board of Equalization staff may compare the total hazardous waste generated for each EPA number to the total reported on the corresponding Hazardous Waste Generator Fee Return. Reporting all hazardous waste generated, including hazardous waste that is transported on out-of-state manifests on your Hazardous Waste Generator Fee Return is one way to reduce your exposure of incurring additional amounts due.

5 Meetings will review regulations on record-keeping and relief from liability.

Three meetings have been scheduled for the coming months to discuss two proposed regulations:

- Regulation 4901, Records
- Regulation 4902, Relief from Liability

The regulations will affect the Hazardous Substances Tax programs, the Occupational Lead Poisoning Prevention Fee program, and the Ballast Water Management Fee program, as well as the Board's fuel and excise tax programs.

Your comments and participation are welcome.

We welcome your comments on the proposed regulations and encourage you to participate in the meetings. After July 9, you can find more information regarding the proposals and the text of the regulations on our website at www.boe.ca.gov/meetings/btc2002.htm (check the November 12 item). You may also obtain copies of the regulations after July 9 by calling 916-323-9555.

3 What if you have questions about a return or billing?

To ensure that businesses are sharing the hazardous waste tax burden equitably, the Board of Equalization's Environmental Fees Division makes every effort to register businesses properly and make sure they pay all fees due. Although we do our best to verify that our actions are correct, you may believe we have done something that does not apply to your business or activity, such as registering you for a program, sending you a return, or issuing you a billing notice.

If you believe that we've made a mistake, please let us know right away. You should call the number listed or write to the address shown on the document you receive. We will be glad to look into your questions and consider the information you provide. Please do not ignore a return or billing—a lack of response can eventually lead to collection actions being taken against you.

4 Have you used our fax-back system?

Many of our forms and publications are available through our automated fax-back system. You can just call 800-400-7115, choose "automated services," and follow the instructions. The service is available 24 hours a day.

If you are a first-time user, you'll need to ask the system to fax you the master list of files showing the codes that are used. Then, to request a document, simply punch in its specific code number.



The meeting schedule is as follows:

- First Interested Parties Meeting, **July 17, 10:00 a.m.**
- Second Interested Parties Meeting, **September 4, 10:00 a.m.**
- Business Taxes Committee Meeting, **November 12, 9:30 a.m.** (Note: this meeting was rescheduled from September 11 to allow more time for public participation and comment.)

All meetings will be held at Board of Equalization Headquarters, 450 N Street, in Sacramento.

If you cannot attend the meetings but would like to comment on the proposed regulations, please send your comments to

Arlo Gilbert
Special Taxes Department MIC: 31
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0031
E-mail: arlo.gilbert@boe.ca.gov
Fax: 916-324-2554

6 What if you disagree with a Board of Equalization billing?—the Appeals Process

If you are audited and receive a tax billing (a Notice of Determination), you have the right to appeal the Board's determination. You have 30 days from the date of the notice to file a formal appeal (a Petition for Redetermination). The law does not allow you to file an appeal after the 30-day petition period. If you miss the deadline, you must pay the liability in full and file a Claim for Refund to dispute the amount owed.

Your Petition for Redetermination must be made in writing and state why you disagree with the Notice of Determination and include facts that support your position. The law requires that you request a "hearing" in your written appeal to be afforded your full appeal rights. It is important that you respond in a timely manner to all Board correspondence during your appeal.

Failure to respond may result in your appeal being denied. Send your Petition for Redetermination to

Environmental Fees Division, Audit Section, MIC: 57
Board of Equalization
P. O. Box 942879
Sacramento, CA 94279-0057

The formal appeal process will include a review of the areas of disagreement as stated in your letter by Environmental Fees audit staff who will evaluate several possible courses of action to resolve the disagreement. For example, depending on the fee program, you may be asked to provide additional documentation, or the auditor may refer your case to the Department of Toxic Substances Control to

evaluate your request to reclassify previously declared hazardous waste as non-hazardous.

After all of the factual information is exchanged, if you and the audit staff cannot resolve the disagreement, the next step is an appeals conference with a representative from the Appeals Section. You have the right to have this conference held at a Board office convenient to you. You also have the right to receive prior notice if the conference will be recorded and the right to receive a copy of the recording.

If the disagreement remains unresolved, you may request a hearing before the five elected Board Members. Although the majority of appeals are decided within a year, some may take longer. You may call the customer service staff toll-free at 800-400-7115 to ask about the status of your appeal and the interest that has accrued to date.

If the Board denies your appeal, you must pay the liability in full before you can pursue your appeal in the courts. The Board prints two publications that explain the audit and appeals process in more detail: Publication 17, *Appeals Procedures*, and Publication 76, *Audits*, are both available on the Board's website, www.boe.ca.gov.

Note: Your appeal will not stop the interest from accruing. Therefore, we encourage you to pay the tax portion of your liability as soon as possible to stop the accrual of interest. We will refund with interest any amounts that are found not to be due when your appeal is concluded.

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 fax-back service or to order a form, regulation, or publication. Center staff can help you weekdays from 8:00-5:00 (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

U.S. Environmental Protection Agency (EPA)

Telephone: 415-495-8895

7 Ballast Water Fee Rate Reduction

Beginning in January 2000, the Board of Equalization began collecting the Ballast Water Management Fee established by the Ballast Water Management Act of 1999 (Stats. 1999, ch. 849). This fee applies to all ships that enter a California port with ballast water loaded outside a defined coastal zone (the “exclusive economic zone” or “EEZ”).

The State Lands Commission originally set the fee at \$600 per qualifying voyage for the period of January 1, 2000, through April 29, 2000. For the period of April 30, 2000, through June 30, 2002, the fee was \$400 per qualifying voyage. Effective July 1, 2002, this fee has been reduced to \$200 per qualifying voyage.

For more information, or if you have any questions regarding the Ballast Water Management Fee Program, please contact the Environmental Fees Division at 916-323-9555.



8 Small Business Fairs

Need help figuring out your tax-reporting requirements or other government compliance issues? If you do—and who doesn’t?—you are encouraged to attend a small business fair near you.

The Board of Equalization, along with federal and other state agencies, is hosting several free “Small Business Tax Fairs” throughout the state of California. The seminar topics covered will vary at each fair, but typically the following subjects are covered: reporting requirements for sales, payroll, and income taxes; reporting for Social Security; property taxes; bad check enforcement; INS requirements; and problem resolution through the Taxpayers’ Rights Advocate.

Representatives from the Board of Equalization, Franchise Tax Board, Employment Development Department, Internal Revenue Service, and many other agencies will be on hand. These agencies will provide valuable tax information, and free reference materials and will answer questions specific to your tax reporting requirements.

Sacramento

September 16
Doubletree Hotel
Sacramento Office 916-227-1882

San Gabriel Valley

September 13
Radisson Hotel
West Covina Office 626-480-8226

Monterey Bay

September 23
Embassy Suites Hotel
San Jose Office 408-277-8240

Orange County

September 27
California State University, Fullerton
Laguna Hills Office 949-461-5732

San Diego

October 18
Point Loma Nazarene University
San Marcos Office 760-744-6284

Van Nuys

October 23
Airtel Plaza Hotel
Van Nuys Office 818-901-5690

If you would like to attend, reserve your spot by contacting the specific Board of Equalization office listed above. You can also register by e-mail. Log onto the website www.boe.ca.gov and click on “Free Seminars” located in the right-hand column titled “Featured Links.” Send an e-mail to the address provided for the event that you wish to attend.

9 Debit and Credit Interest Rate Change

California statute requires the Board of Equalization every six months to review the interest rate it charges on underpayments and amounts past due and the amount it pays on refunds. From July 1 through December 31, 2002, the interest rate charged on underpayments and amounts past due will be 9 percent, and the interest rate paid on refunds of overpayments will be 2 percent.