

# ENVIRONMENTAL FEES NEWSLETTER

## STATE BOARD OF EQUALIZATION

Semiannual Issue  
July 1998

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## FEATURED ARTICLES

1. *Your Turn to Speak Up — Annual Taxpayers' Bill of Rights Hearings*
2. *Imported RCRA Waste May Be Subject to the Generator Fee*
3. *Generator Waste Volumes Compared Annually*
4. *Updated Law Publication Available*
5. *Interest Rates Set for July Through December*
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7. *It Is Best to Get Tax Advice in Writing*
8. *File on Time to Avoid Interest and Penalty Charges*
9. *Ensure You Receive Credit for Your Payment*
10. *Help Us Keep Your Account Records Current*
11. *We'd Like to Hear from You*

## 1. YOUR TURN TO SPEAK UP — ANNUAL TAXPAYERS' BILL OF RIGHTS HEARINGS

Each year the Members of the Board of Equalization hold public hearings to give taxpayers, tax professionals, and other interested parties the opportunity to comment on the tax and fee programs administered by the Board. 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, you are encouraged to present your ideas before the Board.

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

Hearings will be held in:

### Culver City

State Board of Equalization Office  
5901 Green Valley Circle, Suite 200  
Business Taxes Hearing  
Wednesday, August 12, 1:30 P.M.  
Property Taxes Hearing  
Thursday, November 5, 1:30 P.M.

### Sacramento

State Board of Equalization  
Headquarters  
450 N Street, 1st Floor Board Room  
Business Taxes Hearing  
Wednesday, November 18, 1:30 P.M.  
Property Taxes Hearing  
Wednesday, December 9, 1:30 P.M.

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

Taxpayers' Rights Advocate, MIC:70  
State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0070

Phone: 916-324-2798

888-324-2798 (toll-free)

Fax: 916-323-3319

## 2. IMPORTED RCRA WASTE MAY BE SUBJECT TO THE GENERATOR FEE

As you may know, hazardous waste regulations define a "generator" as a person whose actions first cause a hazardous waste to become subject to regulation in California. Consequently, if you import RCRA hazardous waste into California from other states, you are *not* considered the generator of that waste because it is subject to regulation by the federal EPA *prior* to its entry into California. The waste is exempt from the generator fee.

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However, if you import RCRA hazardous waste directly into the state from international waters or a foreign country, you are considered the generator of that waste because it has *not* been subject to state or federal regulation prior to its entry into California. You must register with the Board of Equalization (Board) and pay generator fees for each out-of-country site that is the source of imported RCRA hazardous waste.

*Please note:* Section 25205.22 of the Health and Safety Code provides a specific exemption for non-RCRA waste imported into California. If you import both RCRA and non-RCRA waste from the same site, be sure that you do not include the non-RCRA waste when you calculate the generator fee due.

If you bring RCRA hazardous waste into California from a site outside the country, please contact the Board to ensure that the site is properly registered. You may write us at the address shown on the front page or call us at 916-323-9555.

### **3. GENERATOR WASTE VOLUME RECORDS COMPARED ANNUALLY**

Each year the Board uses information provided by the Department of Toxic Substances Control (DTSC) in analyzing the recorded volume of hazardous waste generated and transported offsite in California. We compare the waste tonnage listed on your *Hazardous Waste Generator Fee and Waste Reporting Fee Surcharge Return* to the volume reported on hazardous waste manifests filed with the DTSC.

If there are discrepancies, we will send you a letter requesting that you explain the differences between the manifest volumes and the category amounts reported on your return. If you do not respond, we will assume that the manifest volumes are correct and bill you for any additional generator fee due.

Please note that the Board does not work from copies of the actual hazardous waste manifests. We rely, instead, on the "Haznet," a DTSC-maintained database that summarizes manifest information. Since the Haznet data is taken directly from the information listed on the manifests, please be sure that your manifests include correct and complete information regarding the weight and description of transported waste. You should retain any weight tickets available for hazardous waste shipments.

For copies of manifests, please write:

Department of Toxic Substances Control  
Generator Information Services Section  
P.O. Box 806  
Sacramento, CA 95812-0806

### **4. UPDATED LAW PUBLICATION AVAILABLE**

Each year the Board publishes a revised edition of publication 60, the *California Hazardous Substances Tax Law*. The booklet includes portions of the Revenue and Taxation Code and the Health and Safety Code. The January 1998 edition incorporates legislation passed in 1997.

To order a copy of this or any other free Board publication, please call our Information Center's toll-free number:

**1-800-400-7115**

### **5. INTEREST RATES SET FOR JULY THROUGH DECEMBER**

Every six months the Board of Equalization reviews the interest rate that is due on underpayments and amounts past due, and the interest rate paid on refunds. For July 1 through December 31, 1998, the annual interest rate for underpayments and amounts past due will remain at 12 percent. The annual interest rate for refunds of overpayments will remain at 5 percent.



## 6. ACCOUNT NUMBERS CHANGED

In the last year we have made minor changes to many environmental fees account numbers. The third and fourth characters of certain account numbers, formerly "HQ," were changed to "EF," which indicates that the Board's Environmental Fees Division is responsible for the account. The numeric portion of the account numbers remained the same.

### *Example*

If your account number was . . .

HA HQ 36-123456

the new account number is . . .

HA EF 36-123456

Please make note of this or any other account number change for your records, and be sure to use the correct number on your correspondence and fee payments.

## 7. IT IS BEST TO GET TAX ADVICE IN WRITING

Each year the Board of Equalization receives numerous calls from people who need help with their tax questions. We are always glad to assist you by phone. However, since the California Hazardous Substances Tax Law can be complex, we encourage you to put your questions in writing. Not only will that give us more information on which to base our reply, but it may protect you from owing tax, interest, or penalties if the advice we give you turns out to be incorrect. This protection is not

### **CORRECTION**

Our January newsletter listed an incorrect telephone number for the Board's Taxpayers' Rights Advocate. The correct toll-free number is 1-888-324-2798.

We're sorry for any inconvenience our error may have caused.

provided for advice we give you in person or over the telephone.

The law provides that you may be relieved of tax, interest, and penalties if it is determined that you did not file a timely return or make a timely payment because of your reasonable reliance upon incorrect written advice from the Board. This relief is available only if the written advice provided by Board staff was in response to a written request from you that fully described the specific facts and circumstances of the activities or transaction in question.

Please send your written requests for advice to the Environmental Fees Division (see address on next page).

## 8. FILE ON TIME TO AVOID INTEREST AND PENALTY CHARGES

To avoid penalty and interest charges for late filing, your mailed returns, forms, and payments must be postmarked *on or before the specified due date*. If you mail on the due date, be sure that your envelope will be postmarked that day. Hand-delivered returns must reach Board offices on or before the due date. If the due date falls on a Saturday, Sunday, or State holiday, returns postmarked on or received by the next business day will be considered timely.

A return or payment postmarked after the due date will be considered timely if you provide satisfactory proof that it was mailed on time, with sufficient postage, to the proper address.

## 9. ENSURE YOU RECEIVE CREDIT FOR YOUR PAYMENT

Each month the Board receives checks that cannot be properly credited. The identity of the taxpayer or feepayer may be unclear, or we may not be able to determine the account number or reporting period. To



ensure that you receive proper credit for your payment, please

- Send your check with the correct return or billing statement, and
- Write the tax- or feepayer's name and account number on the check.

If you cannot include a return or other Board payment or billing document with your check, please be sure to indicate the filing period(s) covered by the payment, the type of fee, and your account number. A timely credit to your account will prevent additional billings or potential over-payments.

#### **10. HELP US KEEP YOUR ACCOUNT RECORDS CURRENT**

We do our best to provide you with current information regarding tax and fee programs and to make sure you receive your returns well in advance of the filing date. However, if the information on file for your business isn't current, we can't ensure that you get the information you need.

If there has been a change in your address, business status, or EPA number, and you have not yet notified the Board, please complete the enclosed *Notice of Business Change* form and mail it to:

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

If you prefer, you may fax the form to us at 916-327-0859.

#### **11. WE'D LIKE TO HEAR FROM YOU**

This newsletter is intended to keep you informed of changes in the law and in the procedures for applying environmental fees or taxes in your business operations. We try to publish articles that will provide the most useful information to the greatest number of taxpayers and feepayers. Now we would like to hear from you!

We'd appreciate it if you could take the time to let us know if there are any topics you would like to see discussed in future issues. Please don't hesitate to make suggestions — your questions or concerns are probably shared by many other businesses.

We would also like to know what you think about our past efforts. Was the January 1998 *Environmental Fees Newsletter*, which included information on significant 1997 legislation and new fee rates, helpful to you? Would you like to see some items from that issue or earlier newsletters repeated, expanded, or clarified?

Please send your suggestions and comments to the Environmental Fees Division (see address and fax number at left).