



BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
HOWARD AUTOMOBILE COMPANY OF)
LOS ANGELES

Appearances:

For Appellant: Orville Vaughn, Attorney, of San Francisco

For Respondent: Chas. J. McColgan, Franchise Tax Commissioner

O P I N I O N

This is an appeal pursuant to Section 25 of the Bank and Corporation Franchise Tax Act (Statutes of 1929, Chapter 13, as amended) from the action of the Franchise Tax Commissioner in overruling the protest of Howard Automobile Company of Los Angeles a corporation, to a proposed assessment of an additional tax in the sum of \$1,753.38 for the year 1932, based upon its return for the year ended December 31, 1931.

The sole problem involved in this appeal is whether the Commissioner acted properly in including in Appellant's net income for the year 1931, the sum of \$64,120.58 received during the year as interest on obligations and instrumentalities of the United States.

This same problem was raised, and was passed on adversely to the taxpayers by this Board in the Appeal of Vortex Manufacturing Company (decided August 4, 1930); Appeal of Howard Automobile Company (decided May 15, 1931); Appeal of Howard Automobile Company of Los Angeles (decided May 15, 1931); Appeal of Homestake Mining Company (decided May 10, 1932) and Appeal of Howard Automobile Company of Los Angeles (decided October 25, 1933). We think these decisions are controlling in the instant appeal.

O R D E R

Pursuant to the views expressed in the opinion of the Board of Equalization on file in this proceeding, and good cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the action of Honorable Chas. J. McColgan, Franchise Tax Commissioner, in overruling the protest of Howard Automobile Company of Los Angeles, against a proposed assessment of an additional tax in the sum of \$1,753.38 for the year 1932, based upon the return for the year ended December 31, 1931, under Chapter 13,

~~Appeal of Howard Automobile Company of Los Angeles~~

Statutes of 1929, as amended, be and the same is hereby sustained.

Done at Sacramento, California, this 8th day of February, 1934, by the State Board of Equalization.

R.E. Collins, Chairman
Fred E. Stewart, Member
Jno. C. Corbett, Member
H. G. Cattell, Member

ATTEST: Dixwell L. Pierce, Secretary