

**BOARD OF EQUALIZATION
LEGISLATIVE COMMITTEE MEETING AGENDA
HONORABLE JUDY CHU, CHAIRWOMAN
450 N STREET, SACRAMENTO, ROOM 121
APRIL 15, 2009 9:30 AM**

----- Minutes -----

2009 LEGISLATIVE BILLS

I. Status Update and Action on BOE-sponsored Bills

<u>Bill No</u>	<u>Author</u>	<u>Date</u>	<u>Subject</u>	<u>Status</u>	<u>COMMITTEE DISCUSSION</u>
1. AB 347	Block	02/19/09	Penalty for failure to provide records timely	AR&T – 4/27	Public comments from CalTax and CalChamber. Committee directed staff to draft proposed amendments to address interested parties concerns. <u>BOARD ACTION:</u> Adopt proposed amendments (3-2). (Attached)
2. AB 469	Eng	04/02/09	Use Tax: Report on FTB return	AR&T – 4/27	Ms. Steel asked <u>how this bill differs from current law.</u>
3. AB 592	Lowenthal	02/25/09	Confidentiality of investigators' home addresses	Assembly Transportation – 4/20	
4. AB 659	Hayashi	02/25/09	Dry cleaners: consumers not retailers	AR&T – 5/4	
5. AB 693	Silva	02/26/09	Business Taxes: One day Interest for Late Payment	AR&T – 4/27	

April 15, 2009

	<u>Bill No</u>	<u>Author</u>	<u>Date</u>	<u>Subject</u>	<u>Status</u>	<u>COMMITTEE DISCUSSION</u>
6.	AB 1547	AR&T	03/05/09	Business Taxes Omnibus Bill: <ul style="list-style-type: none"> • Sales Tax Permit Reinstatement Fee Increase • 12 month test: "California resident" and returned to state for repairs • Fee Procedures Law: filing of final returns after closeout • Redefine 'terminal' for fuel tax purposes • Diesel tax refunds: sales to consulates • Definition of 'biodiesel' 	AR&T – 4/27	
7.	SB 765	Dutton		Sales tax: Navy and Marine thrift store exemption	SR&T	
8.	SB 824	SR&T		Property Tax Omnibus Bill: <ul style="list-style-type: none"> • Code reference corrections • Preliminary Change in Ownership Report: Remove detail from statute • Disaster: Base Year Value Transfers • Exemptions: Property Leased to Public Schools Also, Board Meetings: Place of Meetings	SR&T – 4/22	

II. Recommendation for Board Position:

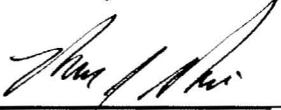
	<u>Bill No</u>	<u>Author</u>	<u>Date</u>	<u>Subject</u>	<u>Status</u>	<u>Committee Recommendation</u>
1.	AB 1265	Ma	02/27/09	Sales Tax: Disabled Veterans: Itinerant Vendors: Consumers not retailers	Assembly Revenue and Taxation Committee	Support (5-0) Consent
2.	AB 1523	Calderon	02/27/09	Sales Tax: Exemption: Fixed Price Contracts	Assembly Revenue and Taxation Committee	Support (5-0) Consent
3.	SB 809	Committee on Veterans Affairs	As proposed to be amended	Sales Tax: Exemption: Disabled Veterans: Itinerant Vendors	Senate Revenue and Taxation Committee	Support (5-0) Consent

VOTE CHART

Attending: Honorable Judy Chu, Chair - Honorable Betty T. Yee, Honorable Bill Leonard, Honorable Michelle Steel, and Marcy Jo Mandel

<u>Bill No.</u>	<u>Chu</u>	<u>Yee</u>	<u>Leonard</u>	<u>Steel</u>	<u>Chiang/Mandel</u>	<u>Committee Recommendation</u>
I. Board-sponsored bills:						
AB 347	Yes	Yes	No	No	Yes	Motion to Adopt suggested amendments (Passed 3-2)
II. Recommendation for Board Position:						
AB 1265 Ma	CONSENT					Support (5-0)
AB 1523 Calderon	CONSENT					Support (5-0)
SB 809 Veterans Affairs	CONSENT					Support (5-0)

Approved: 
Ms. Judy Chu, Ph.D., Chair
Board Legislative Committee


Ramon J. Hirsig, Executive Director

BOARD APPROVED

at the April 15, 2009 Board Meeting


Diane Olson, Chief
Board Proceedings Division

Proposed Amendments to AB 347
Prepared by Legislative Section
04/15/09

SECTION 1. Section 7054 of the Revenue and Taxation Code is amended to read:

7054. (a) The board or any person authorized in writing by it may examine the books, papers, records, electronic data, and equipment of any person selling tangible personal property and any person liable for the use tax and may investigate the character of the business of the person in order to verify the accuracy of any return made, or, if no return is made by the person, to ascertain and determine the amount required to be paid.

(b) If, during an examination or audit engagement, any person described in subdivision (a) fails or refuses to furnish any relevant and reasonable information requested by the date specified in writing by the board and required by this part upon notice and demand by the board, by the conclusion of the information request period, then, unless the failure is due to reasonable cause and not willful neglect, the board may add a penalty of 25 percent of the amount of ~~tax determined pursuant to Section 6481 or~~ any deficiency of tax determined by the board concerning the assessment for which the information was required.

(c) For purposes of this section, "the conclusion of the information request period" occurs after the board or any person authorized has done all of the following:

(1) Made a verbal request for relevant and reasonable information from the person related to the area or areas under an examination or audit engagement including alternative sources of information in order to substantiate the facts and circumstances of the area under examination or audit,

(2) Subsequent to a person's failure or refusal to furnish the information so requested in paragraph (1), but no earlier than 30 days from the date of that verbal request, made an initial written request for that information that specifies the date in which the information is required to be furnished, but in no event, shall the written request specify a date to furnish the information earlier than 30 days from the date of that initial written request,

(3) Subsequent to a person's continued failure or refusal to respond to the requests specified in paragraphs (1) and (2), made a follow-up written request for that information that specifies the date in which the information is required to be furnished, but in no event, shall the follow-up written request specify a date to furnish the information earlier than 15 days from the date of that follow-up written request,

(4) Subsequent to a person's failure or refusal to respond to the requests specified in paragraphs (1), (2), and (3), issued a formal notice and demand to furnish the information that specifies the date in which the information is required to be furnished, but in no event, shall the notice and demand specify a date to furnish the information earlier than 15 days from the date of that notice and demand, and

(5) Subsequent to a person's failure or refusal to respond to the formal notice and demand specified in paragraph (4) within the date specified, issued a subpoena pursuant to Section 15613 of the Government Code for the information described in paragraph (1).

(d) For purposes of paragraph (1) of subdivision (c), the board or any person authorized has fulfilled the requirement of making a verbal request for the information when the board or the person authorized has made a good faith effort to contact the person to obtain that information, whether telephonically or otherwise, using the last known contact information of that person as identified in the board's records.