



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0073  
916-327-4975 • FAX 916-324-2586  
www.boe.ca.gov

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Executive Director

March 27, 2013

The Honorable Lois Wolk, Chair  
Senate Governance and Finance Committee  
State Capitol, Room 5114  
Sacramento, CA 95814

Dear Senator Wolk:

**Senate Bill 442** (Wyland) is set for hearing in the Senate Governance and Finance Committee on Wednesday, April 10, 2013. **This Board of Equalization (BOE)-sponsored bill** allows a taxpayer to file a reimbursement claim for certain charges and fees incurred due to BOE collection and processing errors, and waives for reasonable cause the taxpayer requirement to file a reimbursement claim within 90 days of erroneous collection or processing.

**Reimburses Taxpayers for BOE Errors.** This measure allows a taxpayer or feepayer (taxpayer) to file a reimbursement claim for taxpayer-incurred bank charges and third-party check fees stemming from an erroneous BOE processing action or collection action. These amendments conform the various special tax and fee laws to the Sales and Use Tax Law, within the intent of the original enabling legislation.

**Adds Minor Flexibility to Stringent Deadline.** Occasionally the BOE sends a notice to the wrong address or a financial institution substantially delays issuing a levy notice to the taxpayer. These administrative errors result in early withdrawal fees and bank processing fees. Under both cases, the taxpayer may miss the 90-day window to file a reimbursement claim. This bill allows the BOE to waive for reasonable cause the taxpayer requirement to file a reimbursement claim within 90 days, which provides the BOE a small degree of flexibility to equitably administer the law under limited circumstances.

**Consistency Among Tax Agencies.** The Franchise Tax Board (FTB) also requires taxpayers to file reimbursement claims within 90 days from the agency's erroneous action date. However, Revenue and Taxation Code Section 21018 authorizes the FTB to "extend the period for filing a claim under this section." This bill provides similar authority to the BOE.

**If you have any questions or need additional information regarding this bill, please contact our Legislative Counsel, Michele Pielsticker, at (916) 322-2376.**

Sincerely,

A handwritten signature in black ink, appearing to read "Cynthia Bridges". The signature is fluid and cursive, with the first name being more prominent.

Cynthia Bridges  
Executive Director

CB:ap

cc: The Honorable Mark Wyland  
The Honorable Stephen Knight  
The Honorable Jim Beall  
The Honorable Mark DeSaulnier  
The Honorable Bill Emmerson  
The Honorable Ed Hernandez  
The Honorable Mark Leno  
The Honorable Carol Liu  
Ms. Gayle Miller, Consultant, Senate Governance and Finance Committee  
Mr. Colin Grinnell, Consultant, Senate Governance and Finance Committee  
Mr. Scott Chavez, Consultant, Senate Republican Office of Policy