

**BOARD OF EQUALIZATION  
LEGISLATIVE COMMITTEE MEETING MINUTES  
December 13, 2005 -- Room 122 1:30 PM**

**Attending: Honorable Chairwoman Betty T. Yee, Honorable Bill Leonard, Honorable Claude Parrish, Honorable John Chiang,  
and Ms. Marcy Jo Mandel**

**PROPERTY TAXES**

Proposal	Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
<p><b>1-1</b> Amend Revenue and Taxation Code Sections 744 and 749 to extend from December 31 to March 1 of the following year the deadline for the Board of Equalization to decide state assessee appeals.</p> <p>Source: Honorable Bill Leonard</p> <p>Revenue Impact: None</p>	Yes	Abstain	Yes	Yes	No	Adopt	Put over until January 31, 2006	
<p><b>1-2</b> Amend Revenue and Taxation Code Section 69.5 to allow a base year value transfer to be granted on a prospective basis after the three-year time period for filing a claim has expired.</p> <p>Source: Taxpayers' Rights Advocate Office</p> <p>Revenue Impact: \$100,000 annual loss</p>	Consent Item					Adopt	Adopt	

Property Taxes (continued)

Proposal	Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
<p><b>1-3</b>    <b>Amend Revenue and Taxation Code Section 69.5 to correct clean up changes made by SB 555 (Ch. 264, Stats. 2005). (Technical)</b></p> <p>Source: Property and Special Taxes Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>1-4</b>    <b>Amend Revenue and Taxation Code Sections 214 and 214.8 to make corrective changes to the welfare exemption regarding eligible occasional users of tax exempt properties and limited liability companies. (Housekeeping)</b></p> <p>Source: Property and Special Taxes Department and Legal Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>1-5</b>    <b>Remove the disaster provisions of Revenue and Taxation Code Section 218 and place in a new section. (Housekeeping)</b></p> <p>Source: Property and Special Taxes Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

Property Taxes (continued)

<b>Proposal</b>	<b>Yee</b>	<b>Parrish</b>	<b>Leonard</b>	<b>Chiang</b>	<b>Mandel</b>	<b>Staff Recom.</b>	<b>Committee Recom.</b>	<b>Board Action</b>
<p><b>1-6</b> Amend Revenue and Taxation Code Sections 254.5 and 254.6 to clarify the procedures for issuing organizational clearance certificates to veterans' organizations. (Housekeeping)</p> <p>Source: Property and Special Taxes Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>1-7</b> Amend Revenue and Taxation Code Section 1840 to conform the final deadline for filing section 11 appeals with the Board of Equalization to that for other state assesseees. (Housekeeping)</p> <p>Source: Legal Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

**BUSINESS TAXES**

**General**

Proposal	Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
<p>2-1 Amend Sections 9271, 30459.1, 32471, 40211, 41171, 43522, 45867, 46622, 50156.11, 55332 and 60636 of the Revenue and Taxation Code to allow small case authority approval by the executive director and chief counsel, jointly, of special taxes and fees settlement matters not exceeding \$5,000, consistent with the Sales and Use Tax Law.</p> <p>Source: Legal Department</p> <p>Revenue Impact: Negligible</p>	Consent Item					Adopt	Adopt	

**BUSINESS TAXES**  
**Sales and Use Taxes**

<b>Proposal</b>		<b>Yee</b>	<b>Parrish</b>	<b>Leonard</b>	<b>Chiang</b>	<b>Mandel</b>	<b>Staff Recom.</b>	<b>Committee Recom.</b>	<b>Board Action</b>
<b>3-1</b>	<p><b>Amend Section 6360.1 of the Sales and Use Tax Law, relative to the military lapel pin exemption, to incorporate correct, updated reference to the United States Code. (Technical)</b></p> <p>Source: Sales and Use Tax Department</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

**BUSINESS TAXES**

**Special Taxes**

Proposal	Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
<p><b>4-1</b> Amend Section 8106 of the Motor Vehicle Fuel Tax Law to clarify that a supplier is allowed to take a credit, in lieu of a refund of the tax, on a supplier's tax return for tax-paid motor vehicle fuel removed, entered, or sold by the supplier, when otherwise entitled to claim a refund, and repeal Sections 8106.1, 8106.5, and 8106.8 so that all of a supplier's credits in lieu of refund are provided for in Section 8106.</p> <p>Source: Fuel Taxes Division Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>4-2</b> Add Sections 9152.2, 30178.3, 32402.2, 40112.2, 41101.2, 43452.2, 45652.2, 46502.2, 50140.2, 55222.2, and 60522.2 to the Revenue and Taxation Code to allow the Board to grant refunds of overpayment of tax, fee, interest, or penalty collected by the Board by means of a levy if the claim is filed within three years of the date of overpayment.</p> <p>Source: Excise Taxes and Fees Division and Fuel Taxes Division Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

**Special Taxes** (continued)

Proposal	Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
<p><b>4-3 Amend Section 30102.5 of the Cigarette and Tobacco Products Tax Law to clarify that the tax does not apply to tobacco products under internal revenue bond or customs control. (Housekeeping)</b> Source: Excise Taxes and Fees Division Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>4-4 Amend Section 60063 of the Diesel Fuel Tax Law to correct an erroneous reference and a typographical error. (Technical)</b> Source: Fuel Taxes Division Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
<p><b>4-5 Amend Section 60101 of the Diesel Fuel Tax Law to delete intercity bus operator as a person allowed to use dyed diesel fuel on the highway and repeal Sections 60045 and 60046 to delete the definitions of intercity bus and intercity bus operator. (Technical)</b> Source: Fuel Taxes Division Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

Special Taxes (continued)

Proposal		Yee	Parrish	Leonard	Chiang	Mandel	Staff Recom.	Committee Recom.	Board Action
4-6	<p><b>Amend Section 60201.3 of the Diesel Fuel Tax Law to establish a time period for the mailing of a notice of determination to an unlicensed supplier when their supplier had claimed a bad debt credit or received a refund for the tax previously paid on the bad debt. (Housekeeping)</b></p> <p>Source: Fuel Taxes Division</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	
4-7	<p><b>Amend Sections 60604 and 60606 of the Diesel Fuel Tax Law to correct a spelling error. (Technical)</b></p> <p>Source: Fuel Taxes Division</p> <p>Revenue Impact: None</p>	Consent Item					Adopt	Adopt	

**ADMINISTRATION**

<b>Proposal</b>	<b>Yee</b>	<b>Parrish</b>	<b>Leonard</b>	<b>Chiang</b>	<b>Mandel</b>	<b>Staff Recom.</b>	<b>Committee Recom.</b>	<b>Board Action</b>
<p><b>5-1</b>    <b>An Act to state legislative findings and declarations regarding the window failures at the State Board of Equalization’s headquarters building and to obtain an appropriation for the repair of the windows.</b></p> <p>Source:    October 25, 2005 Board Hearing</p> <p>Revenue Impact: Pending</p>	Support	Support	Support	Support	Support	Adopt	Adopt	

**ADOPTED: 12/13/05**

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Approved:   *IS/ Betty T. Yee*    
Betty T. Yee, Chairwoman

Approved:   *IS/ Ramon J. Hirsig*    
Ramon J. Hirsig, Executive Director

BOARD APPROVED

at the   12/13/05   Board Meeting

  *IS/ Deborah Pellegrini*    
Deborah Pellegrini, Chief  
Board Proceedings Division