



FIONA MA, CPA

Chairwoman, California State Board of Equalization
District 2



Message from Chairwoman Ma:

The weather this March may be cool, but tax season is heating up! With only six weeks left until the Federal and State Tax deadlines, don't miss out on free and helpful tax preparation services like VITA, the Volunteer Income Tax Assistance program, where individuals can get help filling out their tax forms. This is a great way to find out about credits you or your family might be eligible for—like California's new Earned Income Tax Credit, which can be combined with the Federal EITC to give qualified Californians a \$6,000 in their tax refunds.

Now that the Legislature has reconvened and bills have been introduced, my staff and I are hard at work rounding up support for some vital measures. Assemblymember Cristina Garcia has introduced a bill that would remove sales tax on feminine hygiene products like tampons. We exempt sales tax on food, medication, and even candy, so it only makes sense to repeal sales tax on items that every woman needs at some point in our lives. For more information on Ms. Garcia's bill, see page 4.

Finally, March is Women's History Month, and I urge everyone to take a few moments and reflect on the contributions that trailblazing women have made to California's history. From Rose Ann Vuich, the first woman to serve in the California State Senate, to Dr. Sally Ride, who was the first woman to command the space shuttle, California women have made incalculable contributions to our state. Thanks to them, and so many others, the young girls of our state know they can reach for the stars and have the support and encouragement to succeed.

As always, if I can be of service, please feel free to call me and members of my team at (415) 557-3000 or email me at fiona.ma@boe.ca.gov. We look forward to hearing from you.

In Peace and Friendship,

Fiona Ma, CPA

Table of CONTENTS

- Message from Chairwoman. 1
- Fuel Consumption Facts. 2
- Tax Tips for Seniors. 2
- Tax Credit for Educators. 3
- Flood Preparedness. 3
- EARN. 3
- Valley Fire Cleanup 3
- Legislative Update. 4
- Social Security Benefits and Taxes . 4
- California Business Portal. 5
- CalGold 5
- Special Tax Jurisdiction Changes . . 5
- You May Owe Use Tax. 5
- VITA Sites this Season. 6
- CNSC VITA Launch. 7
- Tax Seminar in Mandarin 7
- Happy Birthdays 8
- On the Road. 9
- Seminars and Events 10
- Ag Day 2016 10
- Social Media 10
- Thank You for Your Support 10

Fuel Consumption Facts

Gasoline consumption in California rose 2.4 percent during the 2014-15 fiscal year, the largest annual increase in a decade. As of February 22, the average price in California for regular gasoline decreased 8.3-cents from the previous week. The average statewide price for regular was \$2.295. Mid-grade and premium prices decreased as well.

(Source: <http://energyalmanac.ca.gov/gasoline/>)

Tips for Seniors in Preparing their Taxes



Current research indicates that individuals are likely to make errors when preparing their tax returns. The following tax tips were developed to help you avoid some of the common errors dealing with the standard deduction for seniors, the taxable amount of Social Security benefits, and the Credit for the Elderly and Disabled. In addition, you'll find links below to helpful publications as well as information on how to obtain free tax assistance.

Standard Deduction for Seniors - If you do not itemize your deductions, you can get a higher standard deduction amount if you and/or your spouse are 65 years old or older. You can get an even higher standard deduction amount if either you or your spouse is blind. (See Form 1040 and Form 1040A instructions.)

Taxable Amount of Social Security Benefits -When preparing your return, be especially careful when you calculate the taxable amount of your Social Security. Use the Social Security benefits worksheet found in the instructions for IRS Form 1040 and Form 1040A, and then double-check it before you fill out your tax return. See [Publication 915, Social Security and Equivalent Railroad Retirement Benefits](#).

Credit for the Elderly or Disabled - You must file using Form 1040 or Form 1040A to receive the Credit for the Elderly or Disabled. You cannot get the Credit for the Elderly or Disabled if you file using Form 1040EZ. Be sure to apply for the Credit if you qualify; please read below for details.

* Who Can Take the Credit: The Credit is based on your age, filing status and income.

* Calculating the Credit: Use Schedule R (Form 1040 or 1040A), Credit for the Elderly or Disabled, to figure the amount of the credit. See the instructions for Schedule R (Forms 1040 or 1040A) if you want the IRS to figure this credit for you.

Also see [Publications 524](#) (Credit for the Elderly or Disabled) and [554 \(Tax Guide for Seniors\)](#).

[Free IRS Tax Return Preparation](#) - IRS-sponsored volunteer tax assistance programs offer free tax help to seniors and to low- to moderate-income people who cannot prepare their own tax returns.

Other Helpful Publications

- [Publication 907](#), Tax Highlights for Persons with Disabilities
- [Publication 17](#), Your Federal Income Tax
- [Publication 3966](#), Living and Working with Disabilities

For detailed information and forms, please visit <https://www.irs.gov/Individuals/Seniors-&-Retirees/Tips-for-Seniors-in-Preparing-their-Taxes>

Tax Credits For Educators

The IRS allows qualified K-12 teachers, counselors, principals, and aides to deduct up to \$250 for any unreimbursed expenses paid during the tax year, including amounts paid for books, supplies, computer equipment, and supplementary materials used in the classroom. The deduction gets subtracted from income, so educators can take advantage of the tax savings even if they don't itemize their returns. The deduction can be claimed on line 23 of Form 1040 or line 16 of Form 1040A.

For more information, please refer to IRS Publication 529, Miscellaneous Deductions, available at <https://www.irs.gov/pub/irs-pdf/p529.pdf>

Non-profit Spotlight: EARN



EARN is on a Microsavings Mission, helping working Americans save their first \$500.

EARN's innovative Starter Savings Program (<https://starter.earn.org>) links to accounts at 6,000 banks & credit unions allowing anyone, anywhere, to develop a habit of saving while saving their first \$500. Offered in English and Spanish (earn.org/ahorrar), the 12-month program promotes positive financial behavior through an easy-to-use tool, backed by monetary incentives. It is the first step on the path to economic security.

Lack of savings is the financial challenge American families' worry about the most. In fact, one in three households have no savings at all. EARN (earn.org) is a national nonprofit headquartered in San Francisco dedicated to microsavings, because having just \$500 keeps families from falling into debt and promotes long-term financial stability.

Savings is a core component of financial health. A savings habit – and the stability it brings – is as important as income. Savings addresses financial instability by providing a way for families to save for short term emergencies and long term assets, like a college education or a home.

Since 2001, EARN has helped thousands of people start saving. EARN's mission is to help individuals and families reach greater prosperity by building lifelong savings habits and increasing financial capability. More than 80% of EARN's clients continue to save because they have the know-how and confidence to reach their savings goals.

Clean Up Almost Complete In Valley Fire Area

The 4th worst fire in California history outlined nearly 80,000 acres of damage. Since it's full containment in October Lake County's (and partly Sonoma's) Valley Fire has seen cleanup efforts move at an incredibly fast rate. Dozens of crews have worked around the clock to rebuild infrastructure and clean up private properties. As of this week less than 100 homes still are in need of abatement and clean up, this is out of the more than 1300 destroyed and 700 damaged. In this clean up process there has been an estimated 250,000 trees removed due to fire damage and safety concerns.

All of this work has been racing the clock to be completed before the harsh storms of this year's El Niño hit the area. Erosion control and reducing environmental damage due to chemicals contained in burnt or damaged structures has been a priority.

Aside from the important environmental and safety aspects of the clean up efforts, an important result of this work will be the ability of property owners to start rebuilding in the spring. Lake County officials have estimated that nearly 70% of the current land owners are intending to rebuild. That is double what early estimates were. This is crucial for Lake County to function without outside funding. The next year will see millions of dollars lost in property tax revenues. Those revenues allow the county government to provide crucial services to the community. Although, some of the economic impacts to local businesses have been augmented by the large number of visiting work crews, sustaining Lake County's future long term is dependent on rebuilding and attracting new investment into the still beautiful rural mountain area.

Legislative Update

AB 567 (Gipson) requires the State Board of Equalization to administer a tax amnesty program for the medical cannabis businesses. The bill mandates that all cannabis businesses who participate in the program either pay tax liabilities in full or enter in a payment program with the SBOE. If cannabis businesses meet these qualifications then any tax penalties will be waived. The Board voted (4-0) to support this legislation.

AB 821 (Gipson) removes the 10% fee on non-EFT sales and use tax payments to the State Board of Equalization. This bill will remove an unfair penalty for businesses that pay their taxes in cash. Many of these businesses have no option but to pay their sales and use taxes in cash. The Board voted (4-1) to support this legislation.

AB 1559 (Dodd) gives the State Board of Equalization the ability to extend tax payments deadlines from 30 to 90 days for businesses in natural disaster areas. This legislation is in response to the devastating fires in Lake County fires and the Butte Fire. The Board voted (5-0) to sponsor this legislation.

Assembly Bill 1561 (Cristina Garcia) will exempt feminine hygiene products from state and local sales and use taxes. Women in the State of California currently pay 20 million dollars annually on state and local sales taxes on feminine hygiene products. Current law exempts products that are considered “necessities of life” from state and local sales and use tax. Some products considered “necessities of life” are food and medicine. However, products like candy, Viagra, and feed for livestock are exempt from state and local sales and use taxes.

Social Security Benefits and Your Taxes

If you receive Social Security benefits, you may have to pay federal income tax on part of your benefits. These IRS tips will help you determine whether or not you need to pay taxes on your benefits.

- **Form SSA-1099.** If you received Social Security in 2015, you should receive a Form SSA-1099, Social Security Benefit Statement, showing the amount of your benefits.
- **Only Social Security.** If Social Security was your only income in 2015, your benefits may not be taxable. You also may not need to file a federal income tax return. If you get income from other sources you may have to pay taxes on some of your benefits.
- **Free File.** Use IRS Free File to prepare and e-file your tax return for free. If you earned \$60,000 or less, you can use brand-name software. The software does the math for you and helps avoid mistakes. If you made more than \$60,000, you can use Free File Fillable Forms. This option uses electronic versions of IRS paper forms. It is best for people who are used to doing their own taxes. Free File is available only on [IRS.gov/freefile](https://www.irs.gov/freefile).
- **Interactive Tax Assistant.** The IRS has a helpful tool that you can use to see if any of your benefits are taxable. Visit [IRS.gov](https://www.irs.gov) and use the Interactive Tax Assistant.
- **Tax Formula.** Here’s a quick way to find out if you must pay taxes on your Social Security benefits: Add one-half of your Social Security to all your other income, including tax-exempt interest. Then compare the total to the base amount for your filing status. If your total is more than the base amount, some of your benefits may be taxable.
- **Base Amounts.** The three base amounts are:
 - \$25,000 – if you are single, head of household, qualifying widow or widower with a dependent child or married filing separately and lived apart from your spouse for all of 2015
 - \$32,000 – if you are married filing jointly
 - \$0 – if you are married filing separately and lived with your spouse at any time during the year

For more information on this topic visit <https://www.irs.gov/uac/Social-Security-Benefits-and-Your-Taxes1>.

California Business Portal



The California Business Portal is an effort led by the Governor’s Office of Business and Economic Development (GO-Biz) to serve as California’s single point of contact for economic development and job creation efforts. The Portal provides a wide range of resources for business owners and entrepreneurs to help them get started and stay in compliance with California’s regulations.

Resources include:

- An online one-stop for business owners
- California Business Navigator – custom information based on your business type
- Service Desk – Information to commonly asked questions
- Access to CalGOLD
- Mapping tool to help you help your company identify local business resources, regulatory boundaries and available incentives
- Quickstart Business Guides

Please visit <http://businessportal.ca.gov/>

CalGold



In 1997, the California Environmental Protection Agency (Cal/EPA) established the California Government Online to Desktops (CalGOLD) Website to assist in providing businesses the information they need to comply with environmental and other regulatory and permitting requirements. CalGOLD offers direct Internet links and contact information to state, local, regional, and federal permitting authorities for more information.

Special Tax Jurisdiction Changes

The special tax jurisdictions can change during the year and we are about to have a rate change in April 1, 2016 for some areas. The special notice and news release for these rates will be out sometime in March so make sure you keeps your eyes out for it.

For more updated information, please visit <http://www.boe.ca.gov/knowyourrate/#Business>

Online Purchases? You May Owe Use Tax

- You may owe "use tax" if you made a purchase from an out-of-state retailer and were not charged California tax on the purchase.
- If you have not saved your receipts, you may calculate and pay estimated use tax on your 2015 California Income Tax return, based upon your income.

The Lookup Table below may be used to pay estimated use tax for personal items purchased for less than \$1,000 each.

Adjusted Gross Income Range	Use Tax Liability
< \$10,000	\$2
\$10,000 - \$19,999	\$5
\$20,000 - \$29,999	\$9
\$30,000 - \$39,999	\$12
\$40,000 - \$49,999	\$16
\$50,000 - \$59,999	\$19
\$60,000 - \$69,999	\$23
\$70,000 - \$79,999	\$26
\$80,000 - \$89,999	\$30
\$90,000 - \$99,999	\$33
\$100,000 - \$124,999	\$39
\$125,000 - \$149,999	\$48
\$150,000 - \$174,999	\$57
\$175,000 - \$199,999	\$66
>\$199,999	Multiply by 0.035%

Visit http://www.boe.ca.gov/info/use_tax_table.html

SBOE D2 Partners With United Ways VITA Sites This Tax Season

For a list of United Way Volunteer Income Tax Assistance programs serving District 2, please see below. United Way also provides free online tax preparation for both federal and state income tax returns at <http://www.unitedway.org/myfreetaxes>. The MyFreeTaxes program provides households with income up to \$62,000 with special free access to tax filing software from H&R Block. Board Member Ma's VITA website also includes information on VITA locations and information - <http://www.boe.ca.gov/ma/vita.htm>.

United Ways District 2 VITA sites this tax season:

United Way of the Bay Area

(800) 358-8832

<http://earnitkeepitsaveit.org/>

United Way Monterey County

(831) 372-8026

<http://www.unitedwaymcca.org/>

Northern Santa Barbara County United Way

(805) 922-0329

<http://www.liveunitedsbc.org/>

United Way of San Luis Obispo

(805) 541-1234

<http://www.unitedwayslo.org/>

United Way of Santa Cruz County

(831) 479-5466

<http://www.unitedwaysc.org/>

United Way Silicon Valley

(408) 345-4300

<http://www.uwsv.org/>

United Way of the Wine Country

(707) 528-4485 (Sonoma County)

(707) 528-4485 (Lake County)

(707) 367-2915 (Mendocino County)

(707) 443-8637 (Humboldt/Del Norte Counties)

<http://www.unitedwaywinecountry.org/eitc>



United Ways of California

United Ways of California improves health, education and financial stability results for low income children and families by enhancing and coordinating the community impact work and advocacy of over 30 California United Ways. Individually and together, California's United Ways build a stronger California by mobilizing our communities' public, private and non-profit sectors through community engagement, public policy advocacy, research and results-based funding.

www.unitedwaysca.org

Chinese Newcomers Service VITA Service Launches in Chinatown



The Chinese Newcomers Service Center (CNSC) in San Francisco held its 2016 VITA Launch on January 25 in their office located in Chinatown. CNSC has been providing VITA (Volunteer Income Tax Assistance) services for the Chinese community for 42 years and over the past few years, have had over 70 volunteers contribute to the program. Last year, CNSC helped low-income taxpayers file over 2,500 tax returns and recovered over \$2 million in tax refunds to the community. Seven passionate volunteers were recognized by Board Member Ma and San Francisco Treasurer Jose Cisneros at the launch event for being with VITA for 10 years or more.

Congratulations to the following volunteers:

- Henry Hu**
- Henry Chin**
- William Mac**
- George Chan**
- Bob Won**
- Gilbert Quong**
- Howard Eng**

CNSC is a vital nonprofit organization that provides multilingual services that help Chinese immigrants adopt to life in the United States. CNSC has evolved over the years to provide even more services to over 20,000 low-income and immigrant individuals through its core service areas: Workforce & Economic Development, Free Tax Services for the Low-Income & Elderly, Information & Referral, Critical Needs & Hunger, and Immigration & Naturalization. CNSC VITA Dates: 1/23/16 - 4/9/16 Time: 09:00 - 15:00 Location: 777 Stockton Street, Suite 104, San Francisco, CA 94108 Phone: (415) 421-2111

BOE Auditors Gives Free Tax Seminar in Mandarin

On February 21, Board Member Ma and two senior auditors from the San Jose Sales and Use Tax office provided a free tax seminar in Mandarin to attendees of the American Association of Chinese Medicine and Acupuncture. Board Member Ma addressed a crowd of over 200 Chinese medicine practitioners and business owners and explained how important it is to comply and ask questions when in doubt. “My office is always open and my staff is here to help. Don’t be afraid of taxes and make sure you file on time” she emphasized.



Ms. Helen Wang and Ms. Christine Zhou provided detailed presentations and a Q&A session making sure that each question was answered. There were many questions about how to use the E-File system and what is taxable and what is not.

The digital version of the presentations will be posted on Board Member Ma’s Chinese website: www.boe.ca.gov/ma/chinese



Happy Birthday SBOE D2 Staffs

Mar. 4	Fiona	Ma
Mar. 5	Julie	Spanier
Mar. 9	Alan	Liang
Mar. 11	Antoinette	Garibaldi
Mar. 13	Elaine	Morgan
Mar. 13	Ofelia	Torres
Mar. 15	Lawrence	Brandt
Mar. 20	Jacquiline	Rockwell
Mar. 22	Gloria	Li



Mayor Garcetti of LA presenting Board Member Ma with her first birthday reso this year!

Board Member Ma & Staff on the Road



Roundtable with Biz Fed



Launching VITA season with Treasurer Chiang, SF Treasurer Cisneros, Mr. Kessler representing Controller Yee, MEDA, and Eric McDonnell from United Way



Celebrating Lunar New Year at SF City Hall



Set up and lined up for the largest Chinese New Year Parade in the nation



Snapping away with Snapchat at their headquarters!



Meeting with Lake County Supervisor Rob Brown



Ready, set, action! SBOE Cannabis Track and Trace Stakeholder Meeting



Ma Squad is VITA certified and here to help!



Thank you Speaker Toni Atkins for appointing me to the CA Film Commission. Met with Amy Lemisch, ED of CA Film Commission regarding my role as Board Member <http://www.film.ca.gov/>

Free Small Business and Nonprofit Tax Seminars:

Fremont Small Business & Resources Seminar
Thursday, March 17, 2016
9:00am to 2:30pm
Warm Springs Community Center, 47300 Fernald St, Fremont, CA 94539

Brentwood Nonprofit, Faith Based and Exempt Organization Seminar
Tuesday, April 19, 2016
9:00am to 2:30pm
Location: Brentwood Community Center
35 Oak Street, Brentwood CA 94513

Register at: www.boe.ca.gov/ma/events or call 1-888-847-9652

*Walk-ins are welcome. Registration is not mandatory to attend.
 This event may be televised by a non-government agency*

AG DAY 2016

CALIFORNIA AGRICULTURE DAY
 Wednesday, March 16, 2016
 11:00 AM TO 1:00 PM
 State Capitol, Sacramento

JOIN FIONA MA AND THE DISTRICT 2 STAFF AS WE WELCOME THESE GREAT CALIFORNIA AG EXHIBITS.

<https://www.cdfa.ca.gov/agday/>

Newsletter Subscription

If you are interested in receiving a digital copy of my monthly newsletter straight to your inbox, please subscribe at this link:

<http://www.boe.ca.gov/ma/newsletters/>

Thank You for Your Support

If you have a tax or fee problem, or have difficulty understanding the complexity of tax laws in California, my office can help provide you with assistance and resources. Email me directly at fiona.ma@boe.ca.gov or call my offices in Sacramento at (916) 445- 4081 or in San Francisco at (415) 557- 3000.

In addition, if you want to view some of the Board decisions or watch us live at the monthly Board hearings, please access www.boe.ca.gov and choose the webcast option under Board Hearings.

Representing the interests of taxpayers in a district of more than nine million Californians in 23 counties, I will ensure that the agency treats all taxpayers with respect and dignity. As your SBOE representative, I will continue to ensure that taxpayers are being heard in Sacramento. It is truly an honor to serve you.

Board Member Ma on Social Media



@ FionaMa



www.facebook.com/CA.FionaMa



www.linkedin.com/in/fionamacpa



www.boe.ca.gov/MA

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