



FIONA MA, CPA

Chairwoman, California State Board of Equalization
District 2



Message from Chairwoman Ma:

The returns are in and at least \$157,000,000 of California's new Earned Income Tax Credit was claimed by more than 300,000 families. For the past two weekends, I was delighted to join the dedicated CalEITC4Me folks on their bus tour in Bakersfield and Ceres to promote this new credit. Alongside Volunteer Income Tax Assistance-certified tax preparers, we helped dozens of families fill out their taxes and get real money back.

The Legislative process is ramping up, and a number of bills have now had their first committee hearings. I joined Assemblymember Bill Dodd to testify before the Assembly Elections Committee on AB 1828, a bill I am sponsoring to proactively close a campaign finance loophole while also strengthening our disclosure and contribution limits. Our bill was approved by the committee, and will move next to the Appropriations Committee. I'm also happy to report that Joey Luiz, my District Liaison, testified in support of AB 1559, which was inspired by last year's horrific wildfire season and will delay tax collection for businesses that are affected by disasters like wildfires.

Finally, May is Asian Pacific Islander Heritage Month and it is an opportunity for us to reflect on the contributions that Asian Americans have made to our state. From the Transcontinental Railroad that was built largely by Chinese laborers to the Japanese and Filipino migrants that helped build California's agriculture industry, their contributions have turned California into the global powerhouse it is today.

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 Tip: Permits and Licenses 2
- Seniors Special Fund. 2
- Beware of Scammers. 2
- Dear Kathryn 3
- Business with the BOE. 3
- Legislative Updates 4
- Upcoming Fairs 4
- Prepaid MTS Surcharge 5
- Does California Owe You 6
- Debt Watch 6
- Operation Tango Mike. 6
- Happy Birthday. 7
- MaSquad Internship 7
- On the Road. 8
- Upcoming Events 9
- Connect with the Chairwoman 9
- Thank You for Your Support 9
- Newsletter Subscription 9

Fuel Consumption Facts

4/25/16 - Still climbing up for a second week. Regular is higher than last week's price by less than a cent. The average price in California for regular gasoline increased 0.4-cent from the previous week. The average statewide price for regular was \$2.775. Mid-grade and premium prices increased as well. The national average for self-serve regular is at \$2.162, up 2.5 cents from the previous week. This is 61.3 cents lower than the price of regular in California.

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

TAX TIP: Obtaining the Correct Permits and Licenses

Are you starting up a new business in California? Depending on what type of business you operate, you may be required to obtain several different permits and licenses, such as a seller's permit and business license. As a new business owner, knowing which permits you need to obtain can be a bit overwhelming. The CalGold website can assist in providing you with the information you 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, please visit <http://www.calgold.ca.gov/>.

California Seniors Special Fund

If you and/or your spouse are 65 years of age or older as of December 31, 2015, and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to \$218 or \$109 per spouse. Contributions entered to this fund will be distributed to the Area Agency of Aging Councils to provide advice on and sponsorship of Senior Citizens issues. Any excess contributions not required by Area Agency of Aging Council will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Caution: Only taxpayers or spouses who claim the senior exemption credit on their California return may contribute to the Senior Special Fund. The contribution amount must not exceed the amount of the senior exemption credit. See table below:

Senior Special Fund	Max Contribution (Tax Year)			
	2015	2014	2013	2012
Taxpayer (65 years of older)	\$109	\$108	\$106	\$104
Taxpayer and Spouse (65 years of older)	\$218	\$216	\$212	\$208

For more information, visit their website at <http://www.ccoa.ca.gov/>

Beware of Scammers!

Question: I heard scammers have been targeting companies' human resource departments in an effort to steal the personal information of employees. What can you tell me?

Answer: Unfortunately, that's true. It works like this: Scammers posing as a manager send an email to a company's HR department requesting employees' Social Security numbers and other key info. The HR department unwittingly responds to the scammer and provides the data. Companies that have been victims of this scam are invited to contact the FTB so that tax officials can monitor affected employees' tax returns for possible fraud. Businesses are encouraged to visit ftb.ca.gov for tips on how to avoid scams.

Companies that have been victimized may contact the FTB at ftbtaxscams@ftb.ca.gov.

DEAR KATHRYN.....



DEAR KATHRYN: What is the difference between a seller's permit and a wholesale license? - AMY

DEAR AMY: Sometimes people mistakenly call a seller's permit a wholesale license. A California seller's permit allows you to sell items at the wholesale or retail level. If you sell items at wholesale, you should retain a copy of a resale certificate from your customer in order to support your sales for resale (your wholesale sales). Alternatively, if you are purchasing inventory from your supplier, you should provide your supplier with a resale certificate. A resale certificate must be completed in its entirety for it to be considered valid. For more information regarding resale certificates, please see Publication 103, Sales for Resale, available online at <http://www.boe.ca.gov/formspubs/pub103/>.

DEAR KATHRYN: I did not make any sales during my last reporting period. Do I still need to file a Sales and Use Tax Return? - JAMES

DEAR JAMES: Yes, you must file a Sales and Use Tax Return even if you have no sales for the period, or if all your sales are nontaxable. You may file and pay your return online at https://efile.boe.ca.gov/boe/boe_login.jsp.

Do you have general sales and use tax questions? Each month, we will feature a "Dear Kathryn" column in which our Tax Advisor, Kathryn, will answer selected questions. If you have a question, please send it to Fiona.Ma@boe.ca.gov with the subject title "Dear Kathryn."

Doing Business with the BOE Successfully

We know that running a business can be challenging; therefore we want to help you succeed. The following tips can help you avoid problems with paying your taxes and fees. For more details, please visit https://www.boe.ca.gov/industry/permit_holders.html#Managing.

Put the Taxes and Fees Collected into a Separate Bank Account
The taxes and fees you collected from your customers are meant to be remitted to the BOE along with your tax or fee return. It should not be used to pay other business or personal financial obligations. Set aside the actual amount of taxes or fees collected in a separate account.

File and Pay Together On or Before the Due Date
You are required to file and pay your taxes or fees on or before the due date. Note your due dates on your calendar so you won't forget. For many accounts, you can file your return and make payments together online.

Don't Forget to Report and Pay Use Tax if You Owe It
Your online purchases may be subject to use tax. For more information go to <https://www.boe.ca.gov/sutax/usetax.htm>.

Report Accurately
Make sure the amounts you report on your return are the total taxes or fees you collected from your customers plus any use tax you owe.

Keep Books and Records for a Minimum of Four Years
You are required to keep all your tax and fee records for at least four years.

Keep the BOE Notified of Changes
You are required to keep us notified of changes to your business, including changes in ownership, address, contact information, or when you close your business. You can submit changes on form BOE-345-WEB, Notice of Business Change at <http://www.boe.ca.gov/pdf/boe345.pdf>.



Legislative Updates: Under the Capitol Dome

AB 1561 (Garcia) Chairwoman Ma spoke at a rally on April 4th to urge support of Assembly Member Cristina Garcia's legislation, AB 1561, which will exempt tampons and sanitary napkins from state sales and use tax. Chairwoman Ma also that day testified in support of AB 1561 in the Assembly Revenue and Taxation committee. AB 1561 is currently on the Assembly Revenue and Taxation committee suspense calendar.
http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1561

AB 1559 (Dodd) grants the State Board of Equalization the ability to extend the deadline for tax and fee payments for businesses affected by natural disasters. Passed out of Assembly Revenue and Taxation unanimously on April 13th. The bill was introduced in response to the three devastating Lake county fires in 2015 - the Valley Fire, Rocky Fire and Jerusalem Fire. The bill is sponsored by Chairwoman Ma and the entire State Board of Equalization.
http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB1559

AB 1828 (Dodd) regulates campaign contributions and behested payments to State Board of Equalization Members. Passed the bill out of Assembly Elections and Redistricting Committee on April 13th. Chairwoman Ma is a sponsor of this legislation.
http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB1828

SB 816 (Hill) regulates campaign contributions to State Board of Equalization. The bill passed out of Senate Elections and Constitutional Amendments Committee on April 19th.
http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB816

AB 1575 (Bonta) will create an advisory group led by the State Board of Equalization in conjunction with the Department of Business Oversight to study and make recommendations to the Legislature on policies to address the lack of banking access by the cannabis industry. This bill passed out of the Assembly Banking and Finance Committee on April 18th.
http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1575



May and June Blossom with Some Fair Fun

Fairs and events are coming to a fairground near you in District 2. Fairs from King City to Marin will be showcasing the best agriculture products and animals, as well as entertainment for the whole family. Local farm fresh produce exhibits and live-stock shows are a must see as the community brings their best to the fair for their annual events. You can check out their websites for more details and attractions.

Salinas Valley Fair King City May 12th-15th www.salinasvalleyfair.com
 Glenn County Fair Orland May 19th-22nd www.glenncountyfair.org
 Contra Costa Fair Antioch June 2nd-5th www.contracostafair.com
 Colusa County Fair Colusa June 9th-12th www.colusacountyfair.com
 Alameda County fair Pleasanton June 15th- July 4th www.alamedacountyfair.com
 Sonoma-Marin Fair Petaluma June 22nd- Aug. 7th www.sonomacountyfair.com
 Redwood Acres Fair Eureka June 23rd- 26th www.redwoodacres.com
 San Benito Saddle Horse Show and Rodeo Tres Pinos June 24th-26th www.sanbenitocountyfair.com
 Marin County Fair San Rafael June 30th-July 4th www.marinfair.org

Prepaid Mobile Telephony Services (MTS) Surcharge



Beginning January 1, 2016, a prepaid mobile telephony services (MTS) surcharge was imposed on purchasers (consumers) of prepaid MTS as a percentage of the sales price of each retail transaction involving prepaid wireless cards/service in this state. For more information, please visit <http://www.boe.ca.gov/pdf/1449.pdf>.

Sellers of prepaid MTS (or prepaid wireless services) are required to charge and collect the prepaid MTS surcharge from the purchaser at the time of the retail transaction.

The BOE calculates the prepaid MTS surcharge rate by adding the:

- Prepaid 911 surcharge rate as determined by the Office of Emergency Services (OES).
- California Public Utilities Commission's (CPUC) reimbursement fee and telecommunications universal services surcharges.
- Local charges, if applicable.

Please see our MTS Rates section for the rates for each city or county and additional information about the components of the prepaid MTS surcharge.

Prepaid MTS surcharge generally applies to amounts charged for:

- Prepaid wireless airtime cards.
- Prepaid wireless cards compatible with pay-as-you-go cell phones.
- Prepaid wireless minutes.
- Prepaid wireless plans.
- Prepaid wireless refill or top-off cards.
- Prepaid wireless 'e-Cards'.
- Prepaid mobile data or any other services when sold with any of the above.
- Any product or service (except a cell phone), when sold with prepaid MTS for a single non-itemized price.
- A cell phone sold with prepaid MTS for a single non-itemized price, unless only a minimal amount of prepaid MTS is transferred. A minimal amount of prepaid MTS is \$5 or less, or 10 minutes or less.

Telecommunication or VoIP service suppliers who are required to be registered with the California Public Utilities Commission and sell prepaid MTS directly to consumers are considered direct sellers for purposes of the prepaid MTS surcharge and special rules apply to sellers who are direct sellers.

If you sell prepaid wireless services, email us at SUTD-MTS@boe.ca.gov with your name and seller's permit number (if applicable) so we can provide you with important information about this new law.

For more information, please visit https://www.boe.ca.gov/industry/prepaid_mts_surcharge.html

Does California Owe You Money?

California's Unclaimed Property Law requires banks, insurance companies, corporations, and certain other entities to report and submit their customers' property to the State Controller's Office when there has been no activity for a period of time (generally three years). Common types of unclaimed property are bank accounts, stocks, bonds, uncashed checks, insurance benefits, wages, and safe deposit box contents. Controller Betty Yee safeguards this lost or forgotten property as long as it takes to reunite it with the rightful owners; there is no deadline for claiming it once it is transferred over to the State Controller's Office. It is easy to find out if the Controller is protecting property in your name.

For more information, visit http://www.sco.ca.gov/upd_msg.html

Debt Watch

To promote transparency, California State Treasurer John Chiang has posted more than 2.8 million fields of financial information detailing how much state and local governments have borrowed over the past 30 years. The data is presented in an open data format and is updated monthly.

DebtWatch was created to make it easier for taxpayers to track \$1.5 trillion in government-issued debt that was issued in the past 30 years. The site is broken down into three main components for easier navigation - Debt by Issuer Type, Debt by County, and All Data.

For more information, please visit <http://debtwatch.treasurer.ca.gov/>

Non-profit Spotlight: Operation Tango Mike

Lake County resident Ginny Craven did not feel that her career as a correctional officer and volunteer EMT/Firefighter was enough. In 2003, not long after our country's military found itself in conflicts over seas, Ginny found a new way to serve our men and women in the armed forces. She started gathering up personal hygiene items, snacks and necessities, many of which not easily found in the deserts of Iraq or Afghanistan, and sending care packages to a few friends and family members serving in the armed forces.

What started as a few acts of kindness 13 years ago has turned into an operation of passion for Craven and her team of volunteers. Operation Tango Mike (or in military code "thanks much") has sent over 10,000 care packages to troops serving around the world. Every month her organization packs and ships around 60-70 care packages. Ginny and Operation Tango Mike has received some of the high awards from military organizations, the California governors office and the United States Congress. In 2009, Craven was named Woman of the Year by the "Stars of Lake County Awards". Ginny has also helped local families of fallen military personal with final arrangements and planning for their loved one. Ginny and her organization have brought joy to so many of our men and women in harms way and we are honored to have her here in District 2!

Operation Tango Mike is an all-volunteer 501(c)3 nonprofit. If you would like to add someone to the care package recipient list, you may call 707-349-2838 or e-mail operationtangomike@mchsi.com.



Happy Birthday SBOE D2 Staffs

May 3	Jill	Crowe
May 3	Kimberly	Luchini
May 5	Linda	Fei
May 7	May	Tolman
May 9	David	Perez
May 11	Joseph	Pycz
May 12	May	Calubaquib
May 19	Zachary	Beshore
May 20	Steve	Dhaliwal
May 23	Giovan	Cruz
May 24	Mohammed	Kazi



MaSquad Internship Recruitment



Established in 2006, the MaSquad internship program has mentored over 1,000 young volunteers throughout the Bay Area ranging in age from 13-32. Ms. Fiona Ma believes strongly in the need to nurture our next generation and expose them to public service and happily accepted many interns in her Capitol and District Offices.

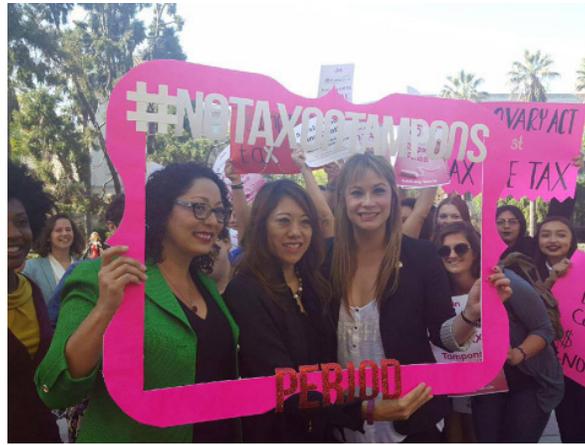
This program is designed to maximize your strengths, build your skills, and feed your passion while serving the community at the same time.

If you are interested in applying, please visit <http://bit.ly/MaSquadInternship> and submit the online application!

Board Member Ma & Staff on the Road



Meeting with the Berkeley Chamber of Commerce



Supporting Assemblywomen Cristina Garcia and Ling Chang's AB 1561 #notaxontampons



At the Red Bluff Round Up in Tehama County



Swearing in the new BOE Executive Director, David J. Gau



With Assemblyman Jim Frazier and Mayor of Brentwood Robert Taylor at the Brentwood seminar



With Bakersfield Councilmember Willie Rivera and Candi Easter preparing income taxes in Bakersfield



Celebrating Chinese Medicine Day with AACMA Chairman Sam Huang and Chinese opera performers



Volunteering at the final stop of the CalEITC bus tour to help prepare tax returns for free in Modesto

Upcoming Events:

California Business Expo & Resource Seminar

Monday, May 2, 9:00am - 4:30pm
 Ronald M. George State Office Complex
 Milton Marks Conference Center
 455 Golden Gate Avenue, San Francisco, CA 94102
 Register at: www.boe.ca.gov/ma/events or
 call 1-888-847-9652

GO-BIZ "Grow CA Business" Summit

Thursday, May 5, 9:00am - 4:30pm
 Long Beach City College
 4901 E Carson Ave, Room T-1200,
 Long Beach, CA
 RSVP and more information at <http://bit.ly/1qEdjIb>

Davis Small Business & Resource Seminar

Wednesday, May 11, 9:00am - 2:30pm
 Veterans Memorial Theater
 203 E 14th Street, Davis, CA
 Register at: www.boe.ca.gov/ma/events or
 call 1-888-847-9652

Sacramento Small Business Seminar (Spanish),

Tuesday, May 17, 9:00am - 2:30pm
 Mexican Consulate
 2093 Arena Blvd., Sacramento, CA 95834
 Register at: www.boe.ca.gov/ma/events or
 call 1-888-847-9652

Taxpayers' Bill of Rights Hearings

Tuesday, May 24, 1:30 pm
 State Board of Equalization
 450 N Street, 1st Floor, Board Room
 Sacramento, CA 95814
<http://www.boe.ca.gov/meetings/heartra.htm>

Santa Clara Small Business & Resource Seminar

Wednesday, June 8, 9:00am - 2:30pm
 Santa Clara City Council
 1500 Warburton Ave, Santa Clara, CA
 Register at: www.boe.ca.gov/ma/events or
 call 1-888-847-9652

***** Walk-ins are welcome. Registration is not mandatory to attend unless specifically noted. Events may be televised by a non-government agency**

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.

Connect with Chairwoman Ma



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